



THE GOVERNMENT OF THE KINGDOM OF LESOTHO

and

THE FOOD AND AGRICULTURE ORGANIZATION OF THE UNITED
NATIONS



Lesotho Country Programming Framework
2013 - 2017

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List of abbreviations and acronyms

AfDB	African Development Bank
AIDS	Acquired Immune Deficiency Syndrome
BOS	Bureau of Statistics
BTI	Bertelsmann Stiftung's Transformation Index
CAADP	Comprehensive Africa Agriculture Development Programme
CERF	Central Emergency Response Fund
CPF	Country Programme Framework
DAR	Department of Agricultural Research
DCS	Department of Crops Services
DFID	Department for International Development
DFS	Department of Field Services
DLS	Department of Livestock Services
DMA	Disaster Management Authority
DPPA	Department of Planning and Policy Analysis
DRRM	Disaster Risk Reduction and Management
ECHO	European Commission Humanitarian Aid and Civil Protection Office
EU	European Union
FAO	Food and Agriculture Organization of the United Nations
FNCO:	Food and Nutrition Coordinating Office
GDP	Gross Domestic Product
GEF	Global Environment Facility
GIZ	German Technical Cooperation
Gol	Government of Lesotho
HDI	Human Development Index
HIV	Human Immuno-deficiency Virus
IFAD	International Fund for Agricultural Development
ITC	International Trade Centre
LAA	Land Administration Authority
LMS	Lesotho Meteorological Services
LUNDAP	Lesotho United Nations Development Assistance Programme
LVAC	Lesotho Vulnerability Assessment Committee
MDG	Millennium Development Goal
MAFS	Ministry of Agriculture and Food Security
MDP	Ministry of Development Planning
MEMWA	Ministry of Energy, Meteorology and Water Affairs
MFLR	Ministry of Forestry and Land Reclamation
MLE	Ministry of Labour and Employment
MLGCA	Ministry of Local Government and Chieftainship Affairs
MoF	Ministry of Finance
NARS	National Agricultural Research Services
NEPAD	New Partnership for Africa's Development
NGO	Non-Governmental Organization
NMTPF	National Medium Term Programme Framework
NSDP	National Strategic Development Plan
OCHA	Office for Coordination of Humanitarian Affairs
PRS	Poverty Reduction Strategy
SADC	Southern African Development Community
SOLA	Solutions for Open Land Administration
TCP	Technical Cooperation Programme

UNAIDS Joint United Nations Programme on HIV/AIDS
UNCT: United Nations Country Team
UNDP: United Nations Development Programme
UNICEF: United Nations Children's Fund
UNTFHS: United Nations Trust Fund for Human Security
USAID: United States Agency for International Development
WB: World Bank
WFP: World Food Programme
WHO: World Health Organization
Exchange rate: US\$1 = LSL 9.9

Preamble

The process of developing the CPF was synchronized with the drafting of the NSDP. In 2010, when FAO was to embark on the development of NMTTPF, the GoL expressed its intentions to do away with the PRS process and return to the National Development Planning process. A concept note for the drafting of the NSDP was shared with all development partners who were asked to support the GoL in this planning framework. Development partners were expected to align their development assistance to the NSDP. FAO provided technical and financial support for the drafting of the agricultural chapter of the NSDP. This CPF is largely anchored on this input. The CPF also addresses some elements of the Environment, Health and Nutrition chapters that fall within the mandate of FAO.

This CPF aims to strengthen the effectiveness, impact and visibility of FAO assistance to the Kingdom of Lesotho. It also seeks to strengthen partnerships with national and international actors for responding to agricultural, food and nutrition insecurity challenges. This will be achieved through the establishment of platforms for information sharing and collaboration between, donors, state, and non-state actors. It recognises that capacity development at all levels is critical if the goals of transforming agriculture from its current status to a truly growth generating sector are to be realised. The key entry point for this CPF is on capacity development for state and non-state actors. The CPF also seeks to enhance development interventions in natural resources management and conservation, given the extent of land and environmental degradation, which is now exacerbated by the impact of climate change. The high rate of land degradation and related soil losses have a negative bearing on the livelihoods of the majority of the rural dwellers who depend on agriculture for sustenance.

Being based on agreed government priorities as articulated in the NSDP and LUNDAP, the CPF takes cognisance of the fact that national ownership and mutual accountability are critical in ensuring programme success. It is for this reason that the selected priority areas reflect outcomes of an elaborate consultative process including participation in NSDP productive sector cluster meetings and LUNDAP consultative meetings for the agriculture and food security cluster. These two consultative processes were key to determining the CPF priority areas. In addition to the national priorities, FAO interventions in this CPF have been informed by its organizational mandate, strategic objectives, experiences and comparative advantage.

By endorsing this CPF, the Government of Lesotho and FAO are committed to collaborate, cooperate and ensure mutual accountability to the fullest extent possible with regard to available capacities and resources in order to achieve the set goals and objectives.



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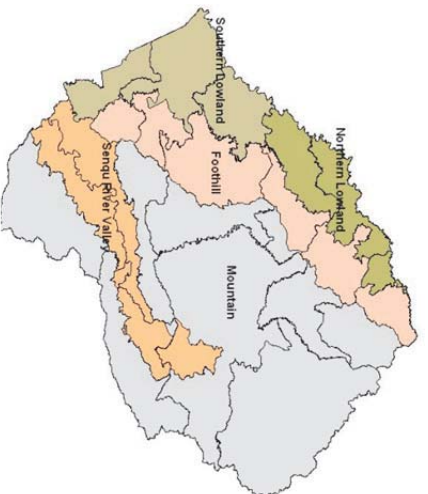
1. Introduction

Informed by the recommendations of the Independent External Evaluation (IEE) and recognising the importance of strategic programming, FAO decided to rollout the development of Country Programming Frameworks (CPF). The CPF is a country led planning framework, which is meant to increase FAO's effectiveness in delivering development support. Its key focus is on producing clear and measurable results.

The development of CPF in Lesotho started in May 2012 through consultations with all key stakeholders including state and non-state actors. This strategic document defines FAO's priorities for collaboration and cooperation with the Government and people of Lesotho (GoL) for the period 2013-2017. It is aligned to other national development policies and plans such as the National Strategic Development Plan (NSDP), the Agriculture Sector Strategy, National Food Security Policy and the draft National Nutrition Policy. It is also in tune with the Lesotho United Nations Development Programme (LUNDAP: 2013-2017) signed between the GoL and the UN system in Lesotho in December 2012. In line with the NSDP and LUNDAP timeframe, this CPF will be implemented for a period of five years, starting in 2013

2. Situation Analysis

2.1 National context



Lesotho is a small landlocked country, with total land area estimated at 30,355km², all of which is completed surrounded by the South Africa. In terms of altitude the country is located between 1400 and 3480 metres above sea level. It has four distinct agro-ecological zones, namely the lowlands (17 per cent), the mountains (59 per cent), the foothills (15 per cent) and the Senqu river valley (9 per cent). The spatial and temporal distribution of rainfall in each growing season is highly variable and is one of the key determinants of the suitability of the agro-ecological zones for different types of agricultural developments.

The 2006 population census estimated Lesotho's population at 1.88 million. This represents an annual increase of 1.7% from the population of 970,000 at Independence in 1966. Over 60 per cent of the population lives in the four districts (Leribe, Berea, and Maseru & Mafeteng) that comprise the western corridor where the bulk of arable land is located and which have the best access to physical infrastructure, utilities and service delivery facilities. By agro-ecological zone, about 70 per cent of the population lives in the lowlands and foothills while the remaining 30 per cent resides in the mountains and the Senqu River valley. The lowlands and the foothills only constitute 32 per cent of the land area, thus making them the most

densely populated agro-ecological zones. The reverse is true for the mountains and the Senqu River valley.

Table 1 gives a snapshot of the country's key social indicators. In terms of development indicators Lesotho is ranked amongst the least developed countries. Its Human Development Index (HDI) has gradually deteriorated in the last few years. In 1978 the country was ranked 127 out of 174 countries on the HDI scale. In 2011 it was ranked 160 out of 187 countries, indicating major erosion in human development achievements over time. This level of human development is one of the lowest in the SADC region. The country ranks 20 places below Swaziland and 42 places below Botswana. The main contributor to the decline in human development is the decreasing life expectancy. In 1990 the life expectancy for Lesotho was about 60 years¹ and this has been reduced by about 12 years, which is below what is attained by its neighbours (Botswana, Namibia, Swaziland and South Africa). The main factor influencing the decline in life expectancy is the impact of HIV and AIDS. This impact is amongst others manifesting itself in high maternal and child mortality. Poverty and food insecurity are also a major contributing factors. According to the BTI2 country report (2012), over 62 per cent of Lesotho's population lives on less than US\$2 a day and the proportion of undernourished population is estimated at 14%³. With a GINI Index of 52.5 Lesotho is one of the most unequal countries in the world. These inequalities have a direct impact on country's capacity to attain the MDGs, especially those that relate to poverty, hunger and health.

Lesotho has a Gender Inequality Index of 0.532, ranking 108 out of 146 countries. Customary practices have always discriminated against women, denying them access to productive assets such land and compromising their economic freedom. Recently, substantial work has been done on the policy and legal fronts to protect women against gender discrimination. For instance, through the Legal Capacity of Married Persons Act (2006), women can now own land, receive inheritance and make their own decisions. However, cultural practices still treat women as minors and often denying them the same rights that the legal frameworks are seeking to protect.

Table 1: Main social indicators for Lesotho⁴, Botswana, Swaziland & South Africa

Indicator (year)	Value			
	Lesotho	Botswana	Swaziland	South Africa
Human Development Index (HDI) (2011)	0.450 (ranking 160 out of 187)	0.633 (ranking 118 out of 187)	0.522 (ranking 140 out of 187)	0.619 (ranking 123 out of 187)
GNI per capita (constant 2005 PPP\$) (2010)	\$ 1, 910	\$ 13,910	\$ 4,980	\$ 10,280
Gender Inequality Index (2011)	0.564	0.525	0.573	0.520
Gini Index	52.5	60	n/a	57.8
Population living below the	49.1%	31.2%	63%(2011)	13.8%

¹ Source - 2011 human development report

² Bertelsmann Stiftung's Transformation Index

³ SOFI 2011

⁴ Sources: Human Development Report 2011, 2008 Report on the global AIDS epidemic, UNAIDS/WHO, 2012 state of the world children, 2008 BOS Labour Force Survey, data on child labour from UNICEF country profiles using Multiple Indicator Cluster Survey (MICS) and Demographic and Health Surveys (DHS).

poverty line (2010)				
Unemployment rate (2010)	23.4%	17.8%(2010)	29.1%(2007)	25%(2012)
Child labour rate (ages 5 to 14) (2000-2010)	23%	9%	9%	-
Life expectancy at birth (2011)	48.2 years	53 years	48 years	52 years
Maternal Mortality Rate (deaths per 100,000 live births) (2010)	1200	200	400	590
Under 5 Mortality (per 1,000 lives) (rate in 2010)	85	48	78	57
Stunted children (short relative to their age) (2010)	39 %	31%	31%	24%
Severely stunted children (2009)	14.8%			
Wasted children (2010)	4%	7%	1%	5%
Underweight children (2010)	13%	11%	6%	9%
HIV prevalence (2009)	23.2	23.9	26.1	18.1
Adult literacy rate (2005)	89.7%	84.1%	86.9%	88.7%

2.2 Situation and outlook

2.2.1 Agriculture and the national economy

It is often asserted that agriculture is the backbone of the rural economy. However, in recent years this assertion has been questioned, largely as a result of the poor performance and output of the sector. Currently the contribution of agriculture to the GDP is around 8 per cent, down from 20 per cent in 1985.

This declining contribution is a result of two main factors. Firstly, the growth of other sectors including manufacturing, services, and mining has reduced the relative contribution of agriculture. More importantly, the performance and output of the agriculture sector has been declining over the years and has not kept pace with the growing population. At the turn of the 20th century Lesotho was a net exporter of grains to the mining and industrial towns of South Africa. Currently many farming households can hardly feed themselves from their own produce for more than six months. A sizeable proportion of Lesotho's population is facing major food insecurity challenges. The number of people in need of food assistance has fluctuated from 200,000 to just over 700,000 over the past eight to ten years (Lesotho Vulnerability Assessment Committee reports). This implies that between 10 and 30 per cent of the population is vulnerable to food insecurity in the absence of external support.

2.2.2 Migrant labour system and rural livelihoods

An important factor that has sustained the rural economy and livelihoods, and complemented agricultural production, was remittances from the migrant workers from mines and industries

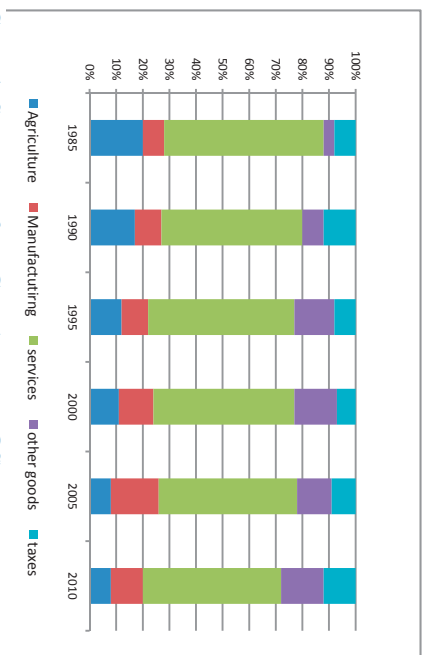


Chart 1: Structure of the GDP (source: BOS)

⁵ BOS 2010

in South Africa. Agricultural production and remittances were mutually reinforcing in that the latter was critical in providing the necessary infrastructure for the former to prosper. For instances, a typical Mosotho⁶ man, would upon reaching maturity, seek employment in the mines for an average period of fifteen to twenty years, during which time he would be remitting money back to his home to sustain the livelihoods of his dependents while at the same time accumulating assets in the form of agricultural implements and livestock. These assets would be critical in maintaining his agricultural based livelihood beyond his tenure of employment.

This cycle of economic activities has now been severely compromised as a result of mass retrenchments from the mines of South Africa. Currently the number of Basotho men employed in mines of South Africa is below 50,000 compared to the highs of 120,000 in the 1980s⁷. The rural economy has consequently suffered significantly. Many small village enterprises that used to provide employment in the rural areas have had to close as a result of reduced money inflows.

2.2.3 Natural resources management and climate change



Improvements in agricultural production, including livestock rearing will not materialize unless efforts are made to safeguard the production base and to better manage the available natural resources. Lesotho's most important natural resources are its soil and water. These national assets are declining as a result of poor management. Land degradation, which is marked by excessive soil erosion, is rampant in all agro-ecological zones. Land survey studies conducted in 1988 estimated that Lesotho loses about 40 million tonnes of top soil annually. While no recent studies have been conducted since then, anecdotal evidence suggests that the situation is not improving. The massive loss of topsoil also implies loss of soil fertility, which has an adverse impact on the productivity of both croplands and rangelands.

Climate induced agricultural emergencies have been a common feature for some time. The impact of these emergencies has been devastating to the rural populations that depend on agriculture for their livelihoods. Rainfall is becoming more erratic, with frequent droughts, occasional flooding, late on-set of summers rains, and prolonged mid-season dry spells. This extreme climate variability is adversely affecting agricultural production and food security. For instance, between December 2010 and February 2011, Lesotho experienced torrential rains that were last experienced in the 1930s. These heavy rains resulted in water logging and

⁶ Mosotho (singular)/Basotho (plural) – Refers to national(s) of Lesotho

⁷ Source – Central Bank of Lesotho – emerging trends in migration of Basotho miners

loss of about 75,000 hectares of summer cereal crops. In addition over 40,000 domestic animals died as a result of drowning and disease outbreaks. The 2011/12 season had suboptimal rains and long dry spells during the critical stages of crop development, resulting in low cereal production. Maize production for 2011/12 was estimated at 16,788 tonnes, which is 22% of the previous year's production and only 13% of the 2009/10 season.

2.2.4 Manifestation of poor agricultural performance

The sub-optimal performance of the agricultural sector and the high levels of poverty within the broader population of Lesotho are manifesting themselves in poor nutrition outcomes. Key nutrition indicators including stunting amongst under-fives are a cause for concern. Average national stunting is estimated at 41.7%⁸, while in the three mountain districts the prevalence of stunting ranges from 46 to 55 per cent. Fifteen per cent of children were found to be severely stunted. According to WHO classification of malnutrition the extent of stunting in Lesotho is at critical levels and requires stern efforts to reverse it.

The country compares unfavourably with its immediate neighbours. For instance the level of stunting in Botswana and Swaziland is 31 per cent while Namibia is 29 per cent. With this level of performance in agriculture and rural development the country is unlikely to meet some of the MDG targets. The 2010 MDG report for Lesotho suggests that the country is off track for the MDG 1, 4, and 5 which are all related to poverty, hunger and health.

2.3 Challenges and opportunities

Lesotho's agriculture consists largely of crops and livestock sub-sectors with fisheries and forestry playing a less significant role (although the latter has recently seen significant growth). The sector is dominated by smallholder farming. Farms are small and fragmented with farmers classified into two main groups: subsistence and commercial.

Extensive livestock farming is characterised by medium holdings of cattle, sheep and goats, while maize, sorghum, wheat and beans dominate the crop family in that order of significance. About 90% of the farmers are subsistence growers producing mainly for household consumption with very little or no surplus to sell to the market. Many of these subsistence farmers do not produce enough staple to feed their families over twelve months. As a result of low output from domestic agriculture, Lesotho has to import a large proportion (60 to 70%) of cereals to meet the national demand. In terms of exports, wool and mohair are the only agriculture export commodities of note, following the collapse of the asparagus industry.



Box 1: key challenges facing the agriculture sector

⁸ Lesotho National Nutrition Survey 2007

2.3.1 Nature and structure of crop farming

Diagnostic studies that preceded the drafting of key strategic documents such as the Agriculture Sector Strategy, Food Security Policy, and the NSDP have identified a number of factors that constrain the performance of the agriculture sector. The nature and structure of agriculture have a lot of influence on how the sector performs. The biggest challenge facing subsistence farmers is low productivity. As result of depleted soil nutrients, low input and low effort production systems by the subsistence farmers, average cereal yields are currently below 0.5 tonnes per hectare.

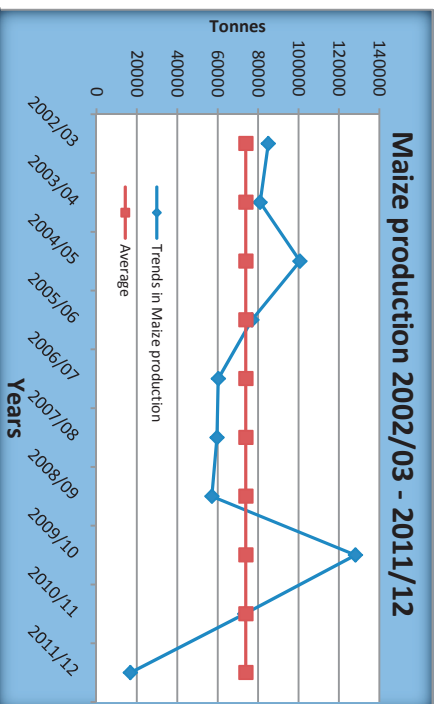


Chart 2: Trend in maize production since 2002/03 (source: BOS)

mountain regions the biggest threat to maize production is frost. In this region frost has been recorded in all months of the year, which presents a major risk for planting crops that are prone to frost damage. In spite of all these risks, farmers have consistently chosen maize over other agro-ecologically suitable crops.

2.3.2 Enabling environment for agricultural growth

There is need to improve technical services to the farming communities. Agricultural research and extension services from both government and non-governmental organisations need to be more effective in promoting production technologies that can improve the performance of these farming units. For the commercial farmers, government needs to improve the policy environment, including access to credit and provision of essential infrastructure for marketing and processing of agro-products. Opportunities exist for developing agro-industries and improving the share of the domestic products into the market. These opportunities will only be realised if an enabling policy environment is created to lure both private and public investment into the sector. Further, major productivity gains can be made if investments are channelled towards irrigation development. The country has abundant water resources that can be tapped for irrigation. There have been major investments in the water sector in recent years. However, such investments have only concentrated on provision of bulk water supply for export, domestic and industrial use. All these developments have paradoxically left out water for agriculture (irrigation) even in areas where substantial irrigation potential exists. This points to a lack of coordination amongst sectors that have a stake in natural resource management.

Lesotho needs to leverage more on the current investment in the water sector than is currently the case. For instance, fisheries and aquaculture development previously had limited potential.

However, recent developments in the water sector have increased the potential of this sector substantially. In the Lesotho Highlands Water Scheme, commercial cage culture for trout has successfully been piloted. Similar developments can be done in other water schemes.

The contribution of livestock to the rural economy has always been significant. To date wool and mohair are still by far the most important agricultural export commodities, which sustain money flows to the rural economy. The State of the World Animal Genetic Resources report (2005) estimates that over 170,000 persons are engaged in herding livestock, thus making the sector one of the major contributors to rural employment. However, the contribution of extensively reared animals (sheep, goats, cattle, etc) will continue to decrease if issues of rangeland management and stock improvements are not given priority.



Growth prospects are high for intensively reared animals such as poultry and pigs. Currently, only 20% of the domestic demand for poultry meat is met by the local production. Feasibility studies indicate that this market share can be doubled if the current bottlenecks, which include access to parent stock, exorbitant cost of feed and shortage of processing and marketing infrastructure can be solved. Lack of accredited processing and packaging infrastructure is limiting local producers from selling their products to major supermarket chains.

2.3.3 Land ownership

A major challenge besetting the crop production sector is the amount of prime land that is left fallow. At any given year 20 to 30% of the cropland is not put to good use. The Bureau of Statistics (BOS) Crop forecasting report (2012) showed that 2011/12 was the worst year in terms of fallow land. A record 48 per cent of the arable land was not put under cultivation. While sub-optimal weather conditions are largely to blame for this huge spike in fallow land for 2011/12 season there are other equally important factors that lead to the observed trend. Cost of production and the impact of HIV and AIDS are some of the factors that contribute to increased fallow land.

In short the underlying problem for the observed fallow land is that productive land is in the hands of people that neither have the capacity nor the interest to put that land to good use. Attempts have been made to overcome this challenge by encouraging people that have the necessary capacity to partner with the land owners through some contractual arrangements in order to put such land to use. This is where a concept of block farming evolved, which essentially entails consolidating small farming units into one block under management of one farmer with the necessary skills and capacities to manage that block. When implemented according to the agreed technical guidelines the approach has the potential to put most of the

land to use for the benefit of both the commercial farmers and the land owners who have no capacity to work that land.

2.3.4 Halting land and environmental degradation

Improvements in agricultural productivity will not be possible unless stern efforts are made to decelerate land degradation and associated losses of natural resources. Production practices should conserve soils while also improving their structure and fertility. Similarly livestock are the greatest users of the rangeland resources. Proper management of the rangelands will therefore only be possible if livestock owners are committed to following appropriate rangeland management principles and practices. It is also crucial that rangeland resources are complemented with fodder production to relieve pressure from the overstocked and overgrazed rangelands. The available marginal fields that continue to be mono-cropped with maize and progressively producing lower yields over the years are the best candidates for perennial fodder production. This would not only help feed the animals but also reduce the rate of soil loss as a result of permanent plant cover.

2.3.5 HIV and AIDS, Gender and Rural livelihoods

The impact of HIV and AIDS on agriculture and rural livelihoods in Lesotho is worsening. Households affected by HIV and AIDS are plunged into deeper poverty as they dispose of their physical capital (assets) in order to meet added expenses of caring for AIDS sufferers and orphans. The disease has major impact on household's ability to practice agriculture. Because they have to spend so much of their time and energy caring for the sick, and because the sick members of the household cannot contribute meaningful labour to farming, households caring for people with AIDS cannot use their fields as much as they would have otherwise desired. Often their fields remain fallow for extended periods and the only land they can realistically cultivate are the gardens around their homesteads. This partly explains why about 30% of the arable land is not cultivated.

Until recently, customary and legal policies in Lesotho had marked women and girls as legal minors throughout their lives. Women of any age needed fathers, and subsequently husbands and sons, to access the full rights of adulthood in Lesotho including access to land. Women have also needed men to stand as guarantors if they wanted to enter financial agreements including opening bank accounts and access to credit. The worst affected were rural women who depend on agriculture for their livelihoods. These women's access to productive assets such as land and livestock was seriously compromised. For instance the Lands Registry Act of 1967 stipulated that no land shall be registered in the name of a married woman. This situation prevailed in spite of the fact that women were the most active gender group in agriculture. The main effect of this discriminatory practice was on constraining women's ability to make key and timely decisions on what and when to plant in the absence of their spouses.

In addition the legalised secondary status of women has contributed to a culture of violence against women, undermined the rights of women and girls in multiple ways, and served to legitimise other customary relations of gender based inequality and discrimination. While Lesotho has in the recent past been applauded for revising and repealing the discriminatory

policies and legal frameworks, it will take some time and effort to root out these practices in rural areas where adherence to customary practices is still very strong.

2.3.6 Policy and Programme implementation

While all these challenges demand attention and resources, one area where the agriculture sector in Lesotho needs to put more effort is in improving its capacity to implement policies and programmes. The sector has been renowned for producing some of the best articulated policies and strategies but their implementation has been weak. The Agriculture Sector Strategy of 2003, the 2005 Food Security Policy and Action Plan, Subsidy Policy, Draft Irrigation Policy, draft Seed Policy and draft National Nutrition Policy and Strategy have all given direction of what needs to be done to reverse the negative trend in the sector's performance. Policy and programme analytical work including monitoring and evaluation are very weak. Technical capabilities in key technical departments are eroding as a result of unsustainable brain drain and the operational capacity is progressively weakening due to declining budgets.

2.4 Main actors and institutions

Whilst issues of agricultural development and food security cut across the mandates of different ministries and departments, the overall leader in this area is the Ministry of Agriculture and Food Security. This ministry is currently made up of seven technical departments, namely, Planning and Policy Analysis, Field Services, Livestock Services, Crops Services, Agricultural Research, and Nutrition and Home Economics. With the exception of the Nutrition and Planning departments, all these technical departments are in support of the two major sub-sectors, namely crops and livestock. Some of the key goals for the crop sector include:

- Promote environmentally and economically sustainable and efficient crop production
- Expand the role of horticulture in agriculturally based livelihoods
- Ensure availability of quality seeds that are agro-ecologically and economically appropriate for farmers
- Establish irrigated agriculture that is economically, socially, technically and environmental justifiable on 100% of irrigable land.

The main goal for the livestock sub-sector is to increase sustainable income from livestock production using sustainable practices appropriate to natural resource endowments. Recognising the growing potential for fisheries development, the recently developed fisheries sector strategic framework seeks to build a National Fisheries Service capable of facilitating and monitoring the growth of the fisheries sector and to enhance the sector's contribution to sustainable environmental management and food supply.

Other ministries that have a significant stake in agricultural development include Ministry of Forestry and Land Reclamation (MFLR), Ministry of Trade, Industry, Cooperatives and Marketing (MTICM), Ministry of Water, Energy and Meteorology, Ministry of Tourism, Environment and Culture, Ministry of Finance and Ministry of Development Planning. MFLR houses departments of Forestry, Conservation and Rangeland management which are all critical for managing and maintaining the natural resource base on which agricultural development is anchored. The key thrust of the MFLR is to conserve natural resources (soil

and water), improve rangeland management and promote sustainable, efficient and productive management of forestry resources. MTICM on the other hand houses the Department of Marketing which provides critical advisory services to both farmers and agricultural traders. Its main focus is on promoting efficient market oriented agricultural production.

The key role of the public sector in agricultural development is to provide services to the farming communities. In this regard the most important services for these clients are agricultural extension and research. Other important actors in this area include Non-Governmental Organizations, Institutions of higher learning, farmer organizations, the UN system and other Development Partners. A few NGO's are successfully implementing agriculture and rural development programmes in different parts of the country. They have however faced challenges in up-scaling their initiatives across the country. This is largely a result of limited coordination between NGO's and government, which inhibits complementarities while increasing rivalries. Functional linkages between government and the National University are also not very strong thus limiting technical support services that can be provided by this institution. The UN system continues to provide support to the sector through state and non-state actors. The donor community on the other hand has not been very involved in the agriculture sector in recent years.

There are however signs that the situation will change for the better. The World Bank has notably come back to the sector and other donors including Irish Aid, European Union and African Development Bank are likely to stage their own come back. The involvement of these actors will likely help improve policy environment for the private sector participation and stimulate investment in the sector.

3. FAO Comparative Advantage

FAO has for many years committed to supporting Lesotho in achieving its developmental objectives. Motivated by its mandate, the Organisation has implemented a series of projects and programmes in all the key agricultural areas (crops, livestock, forestry, fisheries, etc) over the past four decades. It is now also involved in the critical area of land tenure and governance. Internationally, FAO has led the discussion on the governance of tenure which saw in May 2012 the endorsement of the *Voluntary Guidelines on the Responsible Governance of Tenure of Land, Fisheries and Forests in the Context of National Food Security* by the Committee on World Food Security in May 2012.

The Organization is mandated to raise levels of nutrition, improve agricultural productivity, better the lives of the rural populations and contribute to the growth of the world economy. These issues are at the heart of the development agenda in Lesotho. The country is currently experiencing deteriorating nutrition outcomes and the lives of the rural populations who depend to on agriculture for their livelihoods are in danger due to the poor performance of the agriculture sector. While broad economic growth is important for addressing the current challenges facing the people of Lesotho, growth in the agriculture sector will have a much needed impact in reducing poverty as it happens where most of the rural poor live. FAO in collaboration with a network of organisations with a stake in agriculture and rural

development should be in a better position to help Lesotho reverse the negative trend in nutrition and food security outcomes. This will only be possible if these organisations can successfully influence the design and implementation of the major agriculture and food security programmes.

To better understand the comparative advantage of FAO relative to the espoused national priorities and strategies, it is important to understand what those priorities are and how they relate to FAO mandate and the available capacities at all levels of the organisation. In analysing different sectors and their likely contribution to Lesotho's economic growth, the National Strategic Development Plan process grouped different sectors into growth generators, growth enablers and growth accelerators. The agriculture sector was identified as a growth generator while environment and natural resource management were identified as growth enablers. These areas fall within the mandate of FAO and the organisation has a major role to play in supporting the Government of Lesotho in implementing strategies that can help improve performance of these sub-sectors.

3.1 Areas where FAO has traditionally been doing well

The agriculture chapter of the NSDP clearly shows where the comparative advantage of FAO in supporting the national priorities lies. For instance, the first strategic objective for the agriculture sector is to commercialize agriculture. In this area FAO is already taking the lead in helping the GoL to improve the policy enabling environment by undertaking the critical analytical work that will help guide policy and investment decisions. Feasibility studies have been undertaken to analyze selected value chains which are deemed to have a good potential for spurring agricultural growth. The plan is to increase the share of domestic products in the agri-food market and increase the incomes and participation of Basotho farmers by addressing constraints to the growth of local agricultural enterprises. FAO's Rural Infrastructure and Agro-Industries division has been instrumental providing technical support to the GoL. This is an area where FAO's interventions have in past yielded commendable results. For instance in the 70s and 80s FAO was instrumental in supporting Lesotho to establish a vibrant export oriented asparagus industry, which was exporting fresh and canned asparagus to German and other European countries. The organisation was also successful in initiating commercial seed potato production in the mountain regions of Lesotho.

At the upstream level FAO is well placed to provide support for policy and institutional strengthening. The organisation has in the past been instrumental in providing technical and material support for the development of various policies and strategies in the agriculture sector. Such policies include Food Security Policy and Action Plan, Forestry Policy and a ten-year National Programme of Action, the Agriculture Sector Strategy and other policy frameworks. The organisation has also facilitated several policy dialogue forums including the 2010 National Agricultural Forum and the current CAADP country team process. Given its long standing comparative advantage in this area, FAO will continue to avail its technical and material resources in support of policy and strategy development.

The organisation also has a proven track record for supporting institutional capacity development initiatives. Several institutional capacity development projects have been implemented over the last three decades. Some of them resulted in reforms and establishment

of structures and entities that continue to provide critical services to the agriculture sector. During this planning period FAO will undertake capacity assessment exercises in key institutions that provide services to the agriculture sector in order to facilitate the development of critical capacities.

Another area where FAO has demonstrated undoubted comparative advantage is in promoting the uptake of innovative and productivity enhancing agricultural technologies. Several innovative technologies have been piloted through various projects in order to improve productivity in both crops and livestock. With agricultural productivity and output declining to record levels, FAO will have to do more to partner with both state and non-state actors in promoting productivity enhancing technologies.

Capacity to respond to agricultural emergencies is also one of the strengths and advantages of FAO. Over the past ten years FAO has put together a commendable emergency response programme to recurring agricultural emergencies including droughts, floods and animal disease outbreaks. The on-going decentralisation of TCE will further enhance the organisation's ability to respond quicker to emergencies. More importantly, the focus of FAO's emergency programme during this planning period will be on Disaster Risk Reduction.

While FAO has not been very active in natural resource management in the recent past, its expertise and special technical capacities give it a comparative advantage to act in support of the government and people of Lesotho. These special technical capacities include extensive knowledge of natural resource based development interventions such as irrigation development, fisheries development, forestry management, rangeland management and integrated watershed management. These issues are critical for the development and growth of the agriculture sector.

3.2 Areas where FAO can do more

In addition to what FAO has done or is already doing in Lesotho, there are areas where the organisation can generate momentum for the growth of the agriculture sector. Through its various technical units, FAO can support the intensification and diversification strategies for crop production that can result in higher output and performance of the sector. Given the nature and structure of Lesotho's agriculture, due attention should focus on promotion of on-farm seed production to improve access by smallholder farmers to quality seeds. Secondly, more needs to be done to enhance adaptation to climate change while also improving sustainable use and better management of soil and water resources.

In the area of tenure security FAO can assist Lesotho to implement the *Voluntary Guidelines on the Responsible Governance of Tenure of Land, Fisheries and Forest in the Context of National Food Security*. The Land Administration Authority (LAA) has worked with FAO to plan the introduction of a computerised land administration system that will improve service delivery and transparency at the LAA. This system will be a version of the FAO SOLA (Solutions for Open Land Administration) open source software customised by local software developers trained and mentored by FAO. This work will be undertaken in cooperation with

the Millennium Challenge Account – Lesotho Authority (MCA-LA) Land Administration Reform Project.

In the livestock sub-sector FAO can use its extensive knowledge of livestock development policies to strengthen the contribution of livestock sub-sector to food security, poverty alleviation and economic development. In this regard, FAO’s extensive experience with rural institutions and growing capacity on child labour prevention in agricultural sub-sectors can help ensure the social sustainability of results. Given the intertwined nature of crops and livestock systems in Lesotho, FAO’s support to this sector should seek to strengthen synergies between crops and livestock systems. FAO should also use its expertise in animal health to help Lesotho strengthen its disease control and surveillance in order to reduce productivity losses due to disease burden. FAO can also avail its expertise on sustainable land and natural resource management to improve both crops and livestock productivity. Strategies aimed at improving management of natural resources can also be used to spur growth in other sectors including fisheries, forestry and irrigation.

While FAO has been instrumental in supporting the Government of Lesotho in developing policies and strategies, the biggest challenge is that most of these policies have not been implemented. It is therefore critical that FAO’s focus during this planning period should have less emphasis on developing new policies but more on developing capacity for programme and policy implementation.

Lesotho Government is by far the biggest funder of agricultural programmes. It therefore makes sense to support them in designing and implementing those programmes. This is an area where FAO expertise has not been previously sought. It is thus incumbent upon FAO to provide strategic initiative if it is to influence the design and implementation of the major agriculture and food security programmes and help them achieve their laudable goals.

To effectively respond to the development challenges facing Lesotho, FAO and other UN agencies need to have the requisite capacity for programme delivery. Over the past five years FAO has on average delivered about 3.18 million dollars annually. This level of delivery can easily be increased when the resource envelop is increased.

Furthermore, FAO’s implementation capacity is enhanced by its current business model. Under this model the country offices are small by design but are at liberty to call upon other technical or operational resources from the sub-regional, regional or Headquarters units if and when the additional capabilities and capacities are required. In addition, the decentralisation process is gradually transferring the technical resources from Headquarters to the field thus making these resources more available in areas that need them most.

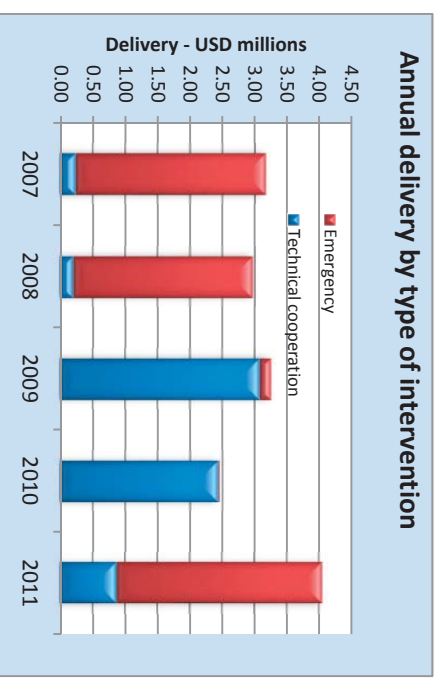


Chart 3: FAO’s project delivery over the last five years

Lastly, there is a general recognition and appreciation that capacity development at all levels will be critical if the laudable goals of the National Strategic Development Plan are to be realised. For the agriculture and food security sector FAO is well placed to support capacity development initiatives. Such capacity development initiatives should not only focus on state actors but should also capture non-state actors including NGO's and the private sector. Partnerships and collaboration with other development agencies including IFAD, World Bank other UN agencies will be critical if the requisite capacity is to be developed for the agriculture and rural development sectors. Collaboration between FAO and these agencies has improved substantially over the recent past and the collective efforts of these institutions will help improve the national capacities while also reducing transaction costs.

4. Priorities for FAO Lesotho

FAO priorities in this planning period will be informed by its own comparative advantage and capacity while guided by the national priorities as articulated in the key national policy and strategic frameworks. The key strategic framework on which this CPF is anchored is the NSDP. Areas for which FAO support will be critical in supporting the implementation of the NSDP include agriculture and rural economy, nutrition, and environment and climate change.

4.1 Agriculture and rural economy

Under the agriculture and rural economy sub-area, the NSDP seeks to pursue the following strategic objectives and associated interventions to realise sustainable agricultural growth in order to improve food security and reduce poverty: (i) reducing vulnerability and managing risks; (ii) commercialising agriculture; and (iii) strengthening institutional capacity.

4.1.1 Reducing vulnerability and managing risks

One of the major challenges facing poor households is limited access to food. This is manifesting itself in chronic malnutrition which is most visible amongst children under the age of five. Currently the average stunting rate is estimated at 41.7% nationally.

Under this strategic objective a number of interventions need to be undertaken to provide direct support to vulnerable households to diversify and strengthen their agricultural and other productive activities in order to improve their livelihoods. To this end FAO has been instrumental in promoting productivity enhancing technologies for improving agricultural production amongst the vulnerable farming households. In view of the frequent climate induced disasters, the organisation will during this planning period, continue to provide technical and material support for promotion of climate change resilient production technologies. More efforts will be made to strengthen the national capacity for early warning. Currently, the available agro-meteorological information is not sufficiently decoded for decision making by the farming community.

In addition FAO will support vulnerable farming households to have better access to production inputs such as seeds and fertilizers, which are accompanied by appropriate extension and advisory services. To mainstream HIV and AIDS, FAO will continue to promote nutrition enhancing and labour saving production technologies. In the livestock sector FAO will support the rearing of small animals (poultry, pigs, rabbits, etc) which have

proved to be very useful in enhancing household food security and providing an important source of animal protein for improved household nutrition. In addition, the organisation will help strengthen livestock disease control and surveillance in order to improve livestock productivity and strengthen the rural economy.

4.1.2 Commercialising agriculture

If agriculture is to be a major contributor to economic growth and live up to its current tag of a growth generator, changes in the current agriculture practices and tendencies will be necessary. With 90% of the farmers being subsistence, agriculture as practised today can best be understood as part of the larger portfolio of livelihoods options available to Basotho households.

To move from this traditional practice to a growth oriented trajectory, the major focus of the agriculture agenda should be on producing for the market and strengthening agriculture as a business. To realise this shift, the NSDP proposes a two track approach: (i) making improvements to the business environment that will benefit stakeholders engaged in agriculture and (ii) implementing interventions specifically targeted at particular value chains that are deemed to have the greater growth potential. FAO's comparative advantage in this area is in providing technical support for facilitating a conducive policy environment for promoting commercialization and diversification of agriculture. To this end, the Organisation has been instrumental in providing technical support for the drafting of the key policies and strategies. Such draft policies include Irrigation Policy, Phytosanitary Policy and Seed Policy. The implementation of Irrigation Policy is critical if the country is to take advantage of its abundant water resources to transform agricultural production from its over dependence on rain. Phytosanitary and Seed Policies on the other hand are critical for improving trade in plant materials between Lesotho and her neighbours and in protecting Lesotho's farming community from the threats posed by unwanted pests.

The organisation continues to facilitate feasibility studies for the establishment of marketing and processing infrastructure in selected value chains (horticulture, poultry and piggery). Going forward, FAO will continue to support diagnostic studies to help policy and investment decision making. It will also continue to advocate for and support the establishment of the necessary institutional structures for implementing the agreed policy reforms. Key emphasis will be on strengthening institutional capacity for policy implementation. Collaborative efforts will be forged between FAO and other development agencies to generate the required momentum for commercialising agriculture in Lesotho.

At the policy level, the main focus for the commercialisation project is to make agribusiness investment environment attractive to the private sector. In this regard FAO is already supporting the Government of Lesotho to engage in CAADP processes. The Organisation is currently collaborating with the NEPAD Coordinating and Planning Agency to help Lesotho prepare its National Agriculture and Food Security Investment Programme. At the farm level the commercialisation project should entail strengthening of commodity associations and other forms of farm level commercial organisations. In order to grow faster commercial farmers need to associate with each other in ways that facilitate functional specialisation as well as effective leveraging of both economies of scale and specialisation. FAO is currently

developing a project proposal to support capacity development for Lesotho National Farmers Union and affiliated farmer organisations in agribusiness development and marketing.

4.1.3 Strengthening institutional capacity

The laudable goals of commercialising agriculture, reducing vulnerability and managing risks will not be attained within the context of weak institutions. Transformation of this sector from its current performance and output to a higher level of goal achievement demands institutional arrangements that foster knowledge creation and innovation. Public and private institutions have serious capacity limitations and the policy environment is not always favourable and responsive to the capacity needs of such institutions for advancement of agricultural knowledge. For instance the department of agricultural research is failing to generate research based knowledge and innovation due to limited technical and operational capacity. Secondly, the capacity to implement policies and programmes is gradually eroding largely due to underinvestment in developing and retaining skilled personnel. It is becoming increasingly difficult for the ministry of agriculture to retained trained personnel in irrigation, veterinary services and other rare skill areas.

In view of the importance of strong monitoring and evaluation systems for improving programme and policy implementation capacity, FAO is currently supporting the development of a robust M&E system for the agriculture sector. The support entails training of MAFFS staff on various aspects of M&E system operation and maintenance. Going forward, the Organisation will together with its partners put more emphasis on supporting the implementation of the new M&E system. In addition FAO will work towards strengthening capacity for agricultural research and extension for both state and non-state actors. This will start off with the review of the current agriculture research, extension and education systems with a view to improving coordination amongst different players and attaining alignment with the strategic priorities of the sector.

4.2 Environment and climate change

Under this area, the main emphasis of the NSDP is to reverse environmental degradation and adapt to climate change. Strategic objectives under this theme include: (i) reduction of land degradation and protection of water sources; (ii) increased biodiversity conservation and promotion of sustainable use; (iii) strengthened rangeland management institutions and improved rangeland carrying capacity; (iv) improved national resilience to climate change.

Limited progress has been made towards achieving the development goals in this sector. This is largely due to lack of coordination and collaboration between different actors. FAO has a major comparative advantage in engaging the agriculture sector to promote technologies and practices that are known to conserve soil and water. The major milestone in this engagement has been the recent review of the Government funded integrated watershed management programme. In view of the important role played by livestock in supporting the livelihoods of the rural communities more effort and resources will be mobilised for improving rangeland management.

4.3 Nutrition

While issues of nutrition are implicitly covered under agriculture and rural economy, it is critical that more emphasis is placed on this issue given the severity of the malnutrition problem. As mentioned in the preceding sections, nutrition outcomes continue to deteriorate.

In support of the nutrition sub-sector, FAO has already provided technical assistance in drafting of the National Nutrition Policy and Strategic Plan. The drafting exercise has since been completed and the policy is awaiting endorsement from cabinet. Going forward, the main focus will be on supporting policy implementation. Further support will be directed towards initiatives aimed at developing and promoting food-based approaches for overcoming micronutrient malnutrition.

4.4 Strategies for promoting partnerships with CSOs, NGO's and Private sector.

While the CPF will largely be implemented with and through the GoL, there is a growing recognition that non-state actors are also key to the delivery of development programmes and projects. It is therefore critical that FAO develops a clear strategy on how to engage with these actors in delivering its programme of assistance. In this regard the CPF foresees two levels of engagement. At the policy and upstream levels FAO will use its influence and convening powers to facilitate policy dialogue and programme negotiations between different non-state actors and government. This type of engagement was successfully done during the drafting of the Food Security Policy and the Forestry Policy. It continues to happen under the current CAADP country team process and will be further enhanced as the CPF gets rolled out.

At programmatic level FAO will use this CPF to promote synergies and collaboration between state and non-state actors. This will be achieved through establishment and coordination of thematic groups and networks. To date a few thematic groups and networks have been established and are functioning as expected. For instance the Conservation Agriculture Networking Group has been instrumental in providing a platform for knowledge and experience sharing, developing uniform training materials and aligning NGOs initiatives with those of government. The Food Security Sector Coordinating Forum (FSSCF) provides a space for all key actors including the GoL, NGOs, UN agencies and donors to discuss topical issues relating to national food security. FAO plays a secretariat role while the chairmanship of these forums is held by government.

In addition, FAO will promote bilateral cooperation with different NGO's to leverage on their field presence and ability to reach underserved rural and remote communities. More importantly, the organisation will seek to strengthen the capacity of farmer organisations including their apex body (Lesotho National Farmers Union) to provide critical services to their members in view of the declining capacity of government to provide such services.

5. Programming for results

Priority 1: Enhance sustainable food and nutrition security.

The GoL continues to provide blanket subsidies for the production of major cereal crops. The aim is to reduce the cost of production and encourage land owners to put all their productive land into use. A few NGO's are playing their part in supporting communities with agricultural programmes. Their input is particularly critical in remote areas where government services are barely present. They also partner with WFP in providing the much needed food assistance to the food insecure households.

In view of the challenges relating to this priority area and a reflection of who is doing what and where, FAO will pursue the following set of results under this priority (refer to annex 2 & 3 for more details):

Outcome	Outputs
Response by national institutions and farmers organizations to food and nutrition insecurity strengthened	<p>The capacity of institutions at national and decentralized levels to implement DRM for enhanced food and nutrition security strengthened.</p> <p>Improved capacity of farmers, MAFS, MFLR, MTTCM, NGOs to transfer and use resilience enhancing technologies for increased agriculture production</p> <p>Improved capacity of farmers, MAFS, MFLR, MTTCM and NGOs to diversify farming system for market oriented production.</p> <p>Vulnerable farming households' access to productivity enhancing inputs and technologies improved</p>

Key performance indicators include the percentage of the agricultural budget spent on climate smart technologies (including irrigation and conservation agriculture) and the level of disaster risk reduction/management mainstreaming in the food and nutrition security programmes and plans. To achieve the desired outcomes under this priority, FAO will facilitate the development of agriculture and nutrition early warning system and response plan. The organisation will also institute capacity development initiatives in key institutions (including farmer organisations) for the implementation of the agriculture and nutrition early warning system.

In addition FAO will facilitate the training of technical staff in key government departments and NGO's on the application and transfer of proven resilience enhancing technologies. The main focus being on promotion of climate smart production technologies and food based approaches for combating malnutrition. Further, resources will be set aside for monitoring the transfer of these technologies to the farming communities.

Lastly, the organisation will strengthen partnerships between state and non-state actors for promoting technologies, methods and tools for increasing agricultural production and productivity within the broader farming community. In particular the organisation will work with its partners to promote crop production intensification based on conservation agriculture

practices, access to productivity enhancing inputs to vulnerable farming households (with particular attention to female headed households’ specific constraints), efficient water management and irrigation, and integration of crops, pastures, trees and livestock. In the livestock sub-sector the focus will be on strengthening capacity for disease control and surveillance while also promoting short cycle animal species for enhancing household food and nutrition security for the vulnerable households.

Priority 2: Enabling environment for sustainable agri-business development

The key challenges relating to this priority include limited processing and marketing infrastructure, lack of private sector participation and lack of access to finance and credit. The Ministry of Trade and Industry continues to advocate for market oriented agricultural production. Other stakeholders such as IFAD and World Bank have come on board to support the development of commercially viable smallholder agriculture. The two agencies have a joint project that seeks to exploit opportunities for increasing crop and livestock productivity while enabling smallholder farmers to better respond to market demand for specific commodities. This project was conceived and formulated with the support of FAO.

Informed by the above mentioned challenges and cognisant of what other partners are already doing in this area, FAO will pursue the following set of results (refer to annex 2 & 3 for more details):

Outcome	Outputs
Agri-business increased by 2017	Strengthened capacity of MAFS, MTICM and MFLR to formulate, facilitate and execute agricultural investment plans and commercial policies
	Capacity of smallholders to invest in agro-SMEs strengthened
	Government of Lesotho capacity for standardisation and certification of agro products strengthened

Key performance indicators include the number of new horticulture, poultry and piggyery enterprises and the percentage change in marketed produce from these three value chains. To achieve these laudable outcomes FAO will have to provide technical and material support for the development of the agricultural investment plan. The organisation will have to finalise the feasibility studies for the establishment of marketing and processing infrastructure and support the implementation of their key recommendations. To stimulate entrepreneurship in this sector FAO will solicit support from its partners for providing seed money for innovative agricultural enterprises.

In addition, the organisation will play a leading role in facilitating the development of business models for connecting horticulture and livestock farmers to the retail markets. More importantly, FAO will work with government to equip relevant national institutions with critical facilities to apply standards and certification of agro-products. The process will also ensure that the GoL adopts and adheres to internationally accredited certification protocols.

Priority 3: Strengthen sustainable management of natural resources

The challenges besetting natural resources management are daunting and overwhelming. In response to these challenges the GoL established the Ministry of Forestry and Land

Reclamation in 2003. The main purpose for establishing this Ministry was to give sustainable land management and conservation more prominence on the national agenda. The ministry implements forestry and land rehabilitation programmes. These include gully rehabilitation, reseeded of degraded rangelands, removal of invader species, tree planting and reclamation of degraded lands.

Other players in this area include the Ministry of Local Government and Chieftainship Affairs which should be playing a leading role in organising communities to sustainably manage their natural resources. Development partners are also giving a helping hand to the GoL. For instance USA through the Millennium Challenge Account, with which FAO is cooperating to improve service delivery and transparency at Lesotho’s Land Administration Authority, is supporting the GoL in strengthening capacity for land management including land administration and protection of wetlands. UNDP on the other hand is supporting the country in promoting sustainable land management models through GEF funded project. Lastly, GIZ has been instrumental in supporting the decentralisation process in the Ministry of Local Government and Chieftainship. One of the key functions of the decentralized governance structures is the management of land resources.

In response to these challenges and cognisant of what other partners are doing in this area, FAO will pursue the following set of results (refer to annex 2 & 3 for more details):

Outcome	Outputs
By 2017, natural resources are sustainably managed by local authorities and community groups	Increased awareness by national and local authorities and targeted communities about options for sustainable natural resources management
	Capacity of local authorities and grazing associations to manage the range lands improved
	Effective partnership and Coordination among key stakeholders strengthened

The main performance indicators that will measure FAO’s contribution towards strengthening sustainable management of natural resources include:

- Number of communities engaged in initiatives that focus on protection of environment and conservation of natural resources.
- Percentage increase in area of rehabilitated and protected watersheds

FAO will work with its partners to ensure the delivery of sustainable land management strategy and facilitate the integration of watershed management principles and practices into community actions plans. Recognising the critical role played by community based organisations in managing rangelands, FAO will undertake capacity needs assessment and help articulate capacity development strategy for local authorities and grazing associations. The organisation will also set aside resources for monitoring the effectiveness of grazing associations in improving the management of the rangelands.

FAO’s work in land administration (Solutions for Open Land Administration – SOLA) will improve service delivery and transparency at Lesotho’s Land Administration Authority and assist in creating an environment conducive to sustainable management of natural resources.

Lastly, the organisation will play a facilitative role for ensuring proper coordination of key actors in agriculture and natural resources management. Currently, there are at least five ministries, three parastatals, and a handful of NGOs with a stake on managing the nation's natural resources. However, these players rarely share a common platform for planning and knowledge sharing. This has been a major concern for a number of development partners who are already supporting or intend to support programmes in this sector. It is for this reason that coordination ranks highest on the environment and climate change cluster of the National Strategic Development Plan.

Priority 4: Strengthen capacity for better agricultural service delivery

Investment in research and extension is insufficient. This inadequate domestic funding is exacerbated by the serious reduction in official development assistance. No development partner is currently supporting agricultural research and only a small percentage of IFAD and World Bank support goes towards strengthening extension services. These challenges are further compounded by weak monitoring and evaluation services of the entire agriculture sector. Without strong M&E which is able to provide critical information on policy and programme performance, it is highly unlikely that agricultural programmes will attract the required funding from government and its development partners.

To address these challenges, FAO will pursue the following set of results (refer to annexes 2 & 3 for more details):

Outcome	Outputs
Access to improved agricultural services by farmers strengthened	Policy and programme framework for agricultural research and extension strengthened
	Capacity of government technical staff for agricultural research and extension services strengthened
	Capacity of government technical staff for M&E and knowledge management strengthened

The main indicators that will track FAO's contribution towards strengthening capacity for better agricultural service delivery include the number of farmers trained in crop husbandry, livestock husbandry and marketing. The organisation will also track the proportion of farmers adopting recommended production practices.

Given the importance of research in promoting agricultural knowledge and innovation, the key task that FAO will undertake is to help the country develop a national research agenda/framework. The development of this research agenda will be preceded by a review of the research and extension services in the country. The agenda will enable key actors to focus on a few but critical areas of research which can benefit the smallholder farmers that make up 90% of the farming community. With the research agenda set, the next step will be to help build strong linkages between research and extension. In addition FAO will help mobilize support from other development partners for securing critical infrastructure for research.

Another key action that FAO will pursue is to finalize the design and support the implementation of a robust M&E system for the agriculture sector. Efforts will be made to improve people's access to various knowledge resources by establishing user friendly knowledge management system for the agricultural sector. Further, to ensure that the National Agricultural Research System (NARS) is well coordinated and functional, FAO will help develop a communication strategy for the NARS.

6. Implementation arrangements, M&E and Resource mobilisation

6.1 Implementation arrangements

The implementation of the CPF will start in 2013 in line with the LUNDAP and the NSDP. The execution of the various projects under the CPF will be led by the appropriate technical departments of the government of Lesotho. Chief amongst the ministries is the MAFS. It is envisaged that FAO will have projects and other initiatives with all the technical departments of this ministry. Another key ministry is the Ministry of Forestry and Land Reclamation (MFLR). Programmes relating to natural resource management and conservation will largely be implemented by this ministry. In addition, efforts will be made to improve collaborative linkages between these two ministries and other strategic ministries such as environment and natural resources. The Ministry of Trade and Industry, Cooperative and Marketing will be instrumental in executing projects that relate to agribusiness development. As the custodian of the NSDP, Ministry of Development Planning will provide strategic guidelines and delivery targets for each of these sub-sectors. The initial focus on initiatives to implement responsible governance of tenure measures will be the Land Administration Authority but this scope may widen to include NGOs and the private sector in the future.

FAO also recognises the important role played by NGO's. To this end partnerships will be established with key NGO's in areas where they have comparative advantage over their government counterparts. Where appropriate FAO will continue to implement programmes jointly with other sister UN agencies in the context of delivering as one.

The CPF is going to be implemented over a period of three biennia (2012/13, 2014/15 and 2016/17). By the time the CPF is rolled out first biennium will be drawing to a close. To generate the required implementation momentum for the subsequent biennia FAO will use the remaining period of the first biennium on building networks, foras and sharing platforms around each major output, mobilizing funding and establishing baselines. By the end of 2013, monitoring systems and reporting mechanisms should be in place and a few key projects developed. Major programmes and activities are expected to be implemented from 2014 and will continue throughout the next biennium.

6.2 Monitoring and evaluation mechanisms

To ensure transparent and objective assessment of whether the CPF is achieving its set objectives and outcomes, a robust M&E plan is required. The implementation of the M&E plan will provide FAO country office with information required to evaluate and demonstrate to the stakeholders (GoL, donors, CSOs, NGOs and other UN agencies), the success of the CPF and its accompanying programmes and projects. To this end and in line with the global

best practices, an elaborate M&E plan has been developed to enhance accountability, transparency and responsiveness towards delivering the results of the CPF as defined in the outcomes and outputs. The key focus of this plan is on developing capacities of partners to monitor and evaluate progress on programme and project implementation.

Monitoring and evaluation of the CPF will be at two levels. As new projects are prepared and implemented attention will be taken to ensure that their goals and objectives contribute directly and significantly to the CPF outputs. Each project will have its own M&E cycle as defined by FAO's normative regulations and in line with the agreements of the respective donors. It will also be critical that project baseline data and indicators correspond with the targets and indicators of the CPF. At the next level, most CPF outputs and indicators will be monitored on an annual basis and presented in an annual progress report. There will also be a few outputs that will warrant more frequent monitoring. For these the monitoring plan will make provisions for quarterly or six monthly monitoring and reporting. The preparation of the annual report will be the responsibility of the country office through the leadership of the FAOR. Such reports will be discussed with key stakeholders including relevant government departments, NGO's active in agriculture and rural development, and sister UN agencies.

The two levels of monitoring and evaluation require different tools and approaches to be effective. Some tools and approaches will be more applicable for FAO internal processes while others will be more applicable for engagement with external stakeholders. Internally the M&E and reporting processes will involve the following:

- Quarterly programme progress reports will be drafted and shared with donors and government partners. The quarterly reports will provide updates and analyses of progress made in the programmes and projects and their contribution towards achieving CPF outcomes and outputs. They will also highlight key challenges and constraints and recommend possible remedies for solving such challenges.
- An Annual progress report, based on the quarterly program progress reports will be compiled under the leadership of the FAO Representative. This report will include a summary of quarterly progress reports, the monitoring and progress of the CPF indicators.

In as far as the engagement with external stakeholders the main interlocutor will be the multi-stakeholder CPF committee. Annual report detailing incremental progress made towards achieving the CPF results will be shared with this committee for comments and inputs. In addition, half way through the implementation of the CPF FAO will organize a mid-term review to assess progress and the likelihood of achieving the set objectives while also assessing the continued relevance the set outcomes. Finally, at the end of this planning cycle (2017) a final evaluation will be conducted to assess the overall success of the CPF and its contribution towards the national development goals

As the first step toward ensuring robust M&E, the FAO country office will develop a comprehensive M&E framework to track the delivery of project outputs and achievement of programme outcomes. Information and feedback from M&E will be used to strengthen and reshape programme implementation whenever necessary.

A platform for feedback from key stakeholders will be established to make room for continuous learning and improvement. Different M&E tools will be employed depending on the size and nature of the programme/project. These include scheduled surveys and reviews (baseline surveys, annual & mid-term reviews, and end of programme evaluation) that will be taken periodically. In addition support will be provided for national assessments including crop production forecasting by the Agriculture Division of the Bureau of Statistics (BOS) and annual livelihood based vulnerability assessment by Lesotho Vulnerability Assessment Committee (LVAC) which is chaired and coordinated by Disaster Management Authority (DMA).

To ensure effective communication and facilitate timely feedback, M&E results will not only be shared with the implementing partners but will be widely shared in fora such as the LUNDAP M&E cluster, Food Security Sector Coordination Forum, Conservation Agriculture Task Force and the technical arm of the Development Partners Consultative Forum.

6.3 Resource Mobilisation for the CPF

The estimated budget for the implementation of the CPF is US\$20 million. About US\$5 million of this will be met by the current donor commitments and regular programme resources in the form of TCP projects. The remaining US\$15,000,000 has to be mobilised from donors and partners.

Funding sources for FAO programmes in Lesotho have in the past decade been limited to a few donors and FAO's own regular resources. This was largely due to the fact that support for agriculture in Lesotho was not a priority for most donors. Emergency and Rehabilitation programmes received funding from EU (ECHO), United Nations Central Emergency Response Fund, Norway, Belgium and USA. Development programmes on the other hand have largely been funded through FAO's regular resources (Technical Cooperation Programme) with contributions from EU Food Facility, One UN fund and UN Trust Fund for Human Security.

The likely sources of funding for the current CPF will more or less mirror the past experiences. However, there is a likelihood that more funding windows may open up for technical cooperation programmes. A few donors (Irish Aid, EU and AfDB) plan to make a return to the agriculture sector. This will open opportunities for agricultural development funding. Secondly major strides have been made towards accessing GEF funding for natural resource management projects.

A multi-pronged approach will be adopted to mobilize resources for the implementation of the CPF. In collaboration with regional and HQ offices, Lesotho country office will approach local, regional and international donors for financial support. In view of the fact that Lesotho has very few resident donors, the FAOR will take regular trips to Pretoria to have strategic meetings with donors that reside in South Africa but also covering Lesotho. Other initiatives, such as the Consolidated Appeal Process (CAP), the Central Emergency Response Fund (CERF) and Flash Appeals, will be pursued as and when opportunities arise. FAO will also leverage on its relationships with regional bodies including SADC and NEPAD Planning and

Coordination Agency for mobilising resources for the implementation of CPF and the broader agricultural investment programme for Lesotho.

7. Annexes

Annex 1: CPF Priority Matrix

CPF priorities	National Strategic Development Plan priorities	Regional and international frameworks	Relevant UNDAF priorities	FAO Strategic Objectives (SO)
Enhance sustainable food and nutrition security	Reduce Vulnerability and Manage Risk	<ul style="list-style-type: none"> MDG 1,3,4,,5 7, CAADP PILLAR 3 	<p>UNDAF outcome 2: By 2017, National institutions (public and private) deliver quality services for increased agricultural growth and food security.</p> <p>Output 2.1: National institutions, farmer organisations, and vulnerable rural households have capacity to reduce vulnerability and manage agriculture and food security related risks</p>	1 & 5
Enabling environment for sustainable agri-business development	Promote sustainable Commercialisation and diversification in agriculture	<ul style="list-style-type: none"> MDG 1 CAADP Pillar 2 & 3 	<p>UNDAF outcome 2</p> <p>Output 2.2: Agricultural policy environment for commercialization is strengthened.</p>	4
Strengthen sustainable management of natural resources	Reduce land degradation and protect water sources	<ul style="list-style-type: none"> MDG 1 & 7 CAADP pillar 1 & 3 	<p>UNDAF outcome 6: By 2017 Lesotho adopts environmental management practices that promote a low-carbon climate-resilient economy and society, sustainably manages natural resources and reduces vulnerability to disasters.</p> <p>Output 6.5: Increased capacity of government and community groups in selected areas to implement Sustainable Land Management (SLM) models that incorporate sustainable environment and income generating activities.</p>	3&5
Strengthen capacity for better agricultural service delivery	Strengthen capacity of farmers and institutions	<ul style="list-style-type: none"> MDG 1, 3 CAADP pillar 1, 2, 3 & 4 	<p>UNDAF outcome 2</p> <p>Output 2.3: Capacity of MAFS and MFLR for M&E, agricultural research, extension and education services strengthened.</p>	2

Annex 2: CPF Results Matrix – Part A

CPF priority 1: Enhance sustainable food and nutrition security					
CPF Results	Indicators	Baseline	Targets	Means & sources of verification	Assumptions
Outcome 1: National institutions and farmers organizations response to food and nutrition insecurity challenges strengthened. [ref. SO1.3;SO5.2]	Percentage of national agriculture capital budget spent on irrigation and conservation agriculture	5% of agriculture capital budget spent on irrigation	At least 10% of agriculture capital budget spent on irrigation and conservation agriculture	Sectoral policies and plans MAFS, MFLR, MoF and MDP budgets and reports	Funding for agricultural support services is increased or maintained where they can sustain the operations. Food and nutrition security continues to be Government's priority
	Disaster Risk Reduction/Management (DRR/M) measures mainstreamed into food security and nutrition policies and plans	DRR policy in place	mainstreaming DRR/M into policies, programmes and plans completed by 2015	Project evaluation reports	
	Percentage targeted farmers that apply new resilience enhancing production technologies and practices	To be determined at beginning of project	At least 70% of targeted farmers, of which 50% women, by 2017		
Output 1.1: The capacity of institutions at national and decentralized levels to implement DRM for enhanced food and nutrition security strengthened. [ref. SO5.2.1]	Disaster risk reduction and management system (including agriculture and nutrition early warning system) available	early warning system weak and dysfunctional	Updated DRRM system functional by 2016	DMA reports Early warning response plans	
	Percentage of technical personnel in MAFS, MFLR and MEMWA that have acquired knowledge and skills to implement DRRM system	Less than 20%	80% by 2017		

Output 1.2: Improved capacity of farmers, MAFS, MFLR, MTICM, NGOs to transfer and use resilience enhancing technologies for increased agriculture production [ref. SO5.3.1]	Percentage of technical staff from MAFS, MFLR, MTICM and NGOs trained on the application and transfer of new resilience enhancing technologies ⁹	to be determined by 2013	80% trained by 2016	Sectoral reports FAO M&E and project reports
	Percentage of targeted farming households who have acquired knowledge and skills in the use of resilience enhancing technologies and practices	To be determined by 2013	80% by 2017 - 50% of which are women	
Output 1.3: Improved capacity of farmers, MAFS, MFLR, MTICM and NGOs to diversify farming system for market oriented production. [ref. SO1.2.2]	Percentage of extension workers who have acquired new knowledge and skills in the transfer of technologies and practices, (including post harvesting technologies) for increasing the production, processing, preservation and marketing of horticulture, cereal and livestock produce	To be determined in 2013	At least 80% of targeted extension staff by 2017 – 50% of which are women	Sectoral reports FAO M&E and project reports
	Percentage of targeted farmers who have acquired improved knowledge and skills in agricultural production and marketing ()	to be determined by 2013	80% by 2017 – 50% of which are women	
Output 1.4 : Vulnerable farming households' access to productivity enhancing inputs and technologies improved [ref. SO 1.1.1]	Percentage of vulnerable farming households who receive seeds and fertilizers	(8%) in 2012	maintained at 8% up to 2017	FAO M&E and project reports
	percentage of supported households have acquired skills in specific production	to be determined by 2013	80% by 2017 (50% women)	

⁹ Agro-forestry, conservation agriculture, irrigation and water harvesting, fodder production and improved rangeland management

	technologies				
UNDAF Outcome 2:					
By 2017, National institutions (public and private) deliver quality services for increased agricultural growth and food security					
FAO Organisational outcomes					
SO1.1: Member countries and their development partners make explicit political commitments and allocate resources to eradicate hunger, food insecurity and malnutrition					
SO1.3: Member countries and their development partners make explicit political commitments and allocate resources to eradicate hunger, food insecurity and malnutrition					
SO5. 2: known and emerging food, nutrition and agriculture threats are identified, forecasted, analyzed, monitored and trigger appropriate decisions and actions					

Priority Area 2: Enabling environment for sustainable agri-business development					
CPF Results	Indicators	Baseline	Targets	Means & sources of verification	Assumptions
Outcome 2: Agri-business increased by 2017 [ref. SO4.2]	Number of new registered horticulture, poultry and piggery enterprises operational ()	Zero	At least 40 enterprises established for each commodity by 2017 – 40% women	MTICM and MAFS reports	Conducive environment created for the private sector participation Increased commitment by the Government for agribusiness policy implementation
	Percentage change in marketed horticulture, poultry and piggery produce.	to be determined by 2013	20% increase in poultry, piggery and horticulture by 2017		
Output 2.1: Strengthened capacity of MAFS, MTICM and MFLR to formulate, facilitate and execute agricultural investment plans and commercial policies [ref.SO4.2.2]	Availability of agricultural investment plan	Currently not available	Developed by 2013	Sectoral reports and reviews CAADP review reports	
	Number of new commercial policies formulated or updated	zero	Three by 2017		
Output 2.2: Capacity of smallholders to invest in agro-SMEs strengthened. [ref. SO4.2.4]	Training programme delivered for the National Farmers Union and associated commodity associations on agri-business development and marketing	Training of Trainers (agricultural extension agents) on Agri-business development and marketing done in 2013	80% of commodity associations trained by 2017	MAFS and MTICM reports	

	Business model connecting horticulture farmers to markets established	none	Business model exist by by 2014		
Output 2.3: Government of Lesotho capacity for standardisation and certification of agro products strengthened [ref. SO4.2.5]	Strategy and action plan for standardisation and certification of agro products available	Not available	Available by 2017	MTICM reports	
	Percentage of staff of the Department of Quality and Standards who report a significant improvement in the availability of facilities to apply standards and certification for agro-products	To be determined in 2013	80% by 2017	Project evaluation report	
UNDAF Outcome 2: By 2017, National institutions (public and private) deliver quality services for increased agricultural growth and food security					
FAO Organisational outcomes SO4.2: enhanced public-private collaboration in addressing the challenges and risks faced by smaller and disadvantaged participants in food and agricultural systems					

Priority Area 3: Strengthen sustainable management of natural resources					
CPF Results	Indicators	Baseline	Targets	Means & sources of verification	Assumptions
Outcome 3: By 2017, natural resources are sustainably managed by local authorities and community groups [ref.SO3.1; SO3.2]	Number of communities engaged in initiatives that focus on protection of environment and conservation of natural resources	160	240, with 50% participation by women	MFLR,MAFS, MLGC and MNR reports	Sufficient political will and commitment to address the underlying causes of land degradation
	Number of hectares of rehabilitated and protected watersheds	250,000ha	300,000 ha		
Output 3.1: Increased awareness by national and local authorities and targeted communities about options for sustainable natural resources management [ref. SO3.1.2]	percentage of targeted staff acquired skills in sustainable land management	to be determined in 2013	80% by 2017	MAFS, MLGC, MFLR reports	
	Percentage of community action plans that have incorporated integrated watershed management principles and practices	Watershed management principles not integrated into community action plans	70% By 2017		
Output 3.2: Capacity of local authorities and grazing associations to manage the range lands improved [ref. SO3.1.2]	Rangeland capacity development strategy available	None	Gender sensitive Capacity Development Strategy available by 2015	MFLR and MoLG reports	
				Project evaluation	

	Percentage of members of grazing associations who report increased livestock productivity as a consequence of improved rangeland resources (grasses and water)	to be determined by 2013	70% by 2017	report	
Output 3.3: Effective partnership and Coordination among key stakeholders strengthened	Number of minutes of coordination meetings issued that containing clear follow-up actions.	No regular meetings held between key stakeholders	At least four meetings a year with minutes that have clear action points	Feedback from stakeholders	Commitment of key stakeholders to coordination, collaboration and partnership
	Percentage of the stakeholders who report improved coordination	stakeholders not satisfied with the current coordination efforts	80% satisfaction by 2015	Minutes of meetings	
UNDAF Outcome 6:					
By 2017, Lesotho adopts environmental management practices that promote a low-carbon climate resilient economy and society, sustainably manages natural resources and reduces vulnerability to disaster					
FAO Organisational outcomes					
SO3.1: The enabling environment in member countries is improved for men and women rural small producers, family farmers, and small rural entrepreneurs to move out of poverty					
SO3.2: The enabling environment in member countries is improved for agricultural growth to generate increased decent farm and non-farm rural employment opportunities for rural men, women and youth					

Priority area 4: Strengthen capacity for better agricultural service delivery					
CPF Results	Indicators	Baseline	Targets	Means & sources of verification	Assumptions
Outcome 4: Access to improved agricultural services by farmers strengthened [ref. SO2.2; SO1.3]	Number of farmers who have acquired skills in crop husbandry, livestock husbandry and marketing from government technical officers	To be determined by 2013	600 farmers trained annually of which 50% women	MAFS, MTICM reports	Commitment from government and its cooperating partners to strengthen research and extension services in both state and non-state institutions
	Percentage of targeted farmers that adopt recommended production practices and technologies	exist by 2013	75% by 2017		
Output 4.1: Policy and programme framework for agricultural research and extension strengthened [ref.SO2.2.1]	Existence of national agricultural research framework	Research framework not available	By 2013	MAFS and NUL reports	
	Number of research and extension forums held;	Zero	two per year		
Output 4.2: Capacity of government technical staff for agricultural research and extension services strengthened [ref. SO2.2.4]	Percentage of targeted technical personnel that have acquired new knowledge and skills in research, extension	0%	80% of targeted technical staff (of which 50% women) 2016	MAFS reports Project evaluation report	
	Number of research and extension outreach documents produced .	training materials (leaflets and posters) for Conservation Agriculture designed	Two new outreach documents produced each year beginning in 2014		

		and printed in 2013			
Output 4.3: Capacity of government technical staff for M&E and knowledge management strengthened [ref. SO1.3.1]	Percentage of targeted technical staff who have acquired new knowledge and skills in M&E	20%	80% by 2017	Project reports Sectoral reports	
	Existence of functional communication strategy for the National Agriculture Research System	Communication strategy not in place	Communication strategy completed by 2015		
UNDAF Outcome 2: By 2017, National institutions (public and private) deliver quality services for increased agricultural growth and food security					
FAO Organisational outcomes SO1.3: Member countries and their development partners formulate, implement, monitor and evaluate policies, programmes and investments to eradicate food insecurity and malnutrition SO2.2: stakeholders in member countries strengthen governance – laws, policies and institutions that are needed to support producers in the transition to sustainable agricultural systems					

Annex 3: CPF Result Matrix – part B – indicative resource requirements

CPF Results	Indicative Resource Requirements (US\$)			Implementing partners		Likely sources of Funding
	Total requirement	Available funding	Funding gap	National	International	
CPF priority 1: Enhance sustainable food and nutrition security						
Outcome 1: Capacity of national institutions and farmers organizations strengthened to respond better to food and nutrition insecurity challenges						
Output 1.1: National institutions and farmers organizations response to food and nutrition insecurity challenges strengthened.	600,000	200,000	400,000	MAFS, DMA, FNCO	WFP, UNDP, UNICEF	GEF & TCP resources
Output 1.2 Improved capacity of farmers, MAFS, MFLR, MTICM, NGOs to transfer and use resilience enhancing technologies for increased agriculture production	2,000,000	250,000	1,750,000	MAFS, MFLR, MTICM, LENAFU, NGO's	IFAD,	GEF & FAO regular resources
Output 1.3 Improved capacity of farmers, MAFS, MFLR, MTICM and NGOs to diversify farming system for market oriented production.	600,000	300,000	300,000	MAFS, MFLR, MTICM, LENAFU, NGO's	IFAD	TCP & extra-budgetary resources
Output 1.4 : Vulnerable farming households' access to productivity enhancing inputs and technologies improved	10,000,000	2,500,000 ¹⁰	7,500,000	MAFS, MFLR, NGO's	WFP, OCHA	Extra-budgetary resources
Priority Area 2: Enabling environment for sustainable agri-business development						
Outcome 2: Agri-business increased by 2017						
Output 2.1: Strengthened capacity of MAFS, MTICM and MFLR to formulate, facilitate and execute agricultural investment plans and commercial policies	500,000	200,000	300,000	MAFS, MTICM	IFAD, WORLD BANK	TCP and extra-budgetary resources
Output 2.2 Capacity of smallholders to invest	800,000		800,000	MAFS, MTICM		Extra-budgetary

¹⁰ To secured from DFID and ECHO for 2013

in agro-SMEs strengthened						resources
Output 2.3: Government of Lesotho capacity for standardisation and certification of agro products strengthened	300,000	300,000		MAFS, MTICM, MoH	WHO	TCP resources
Priority Area 3: Strengthen sustainable management of natural resources						
Outcome 3: By 2017, natural resources are sustainably managed by local authorities and community groups						
Output 3.1: Increased awareness by national and local authorities and targeted communities about options for sustainable natural resources management	2,000,000	200,000	1,800,000	MFLR, MAFS, MNR, MTEC, MLGC	UNDP	GEF
Output 3.2: Capacity of local authorities and grazing associations to manage the range lands improved	1,000,000		1,000,000	MFLR, MAFS, MTEC, MNR, MLGC	UNDP	GEF
Output 3.3: Effective partnership and Coordination among key stakeholders strengthened	100,000	100,000		MFLR, MAFS, MTEC, MNR, MLGC, NGO's	UNDP, IFAD, UNEP	TCP
Priority 4: Strengthen capacity for better agricultural service delivery						
Outcome 4: Access to improved agricultural services by farmers strengthened						
Output 4.1: Policy and programme framework for agricultural research and extension strengthened	200,000	200,000		MAFS, NUL, LENAFU, MFLR, NGO's	IFAD	TCP
Output 4.2: Capacity of government technical staff for agricultural research and extension services strengthened	1,000,000	300,000	700,000	MAFS, NUL, LENAFU, MFLR, NGO's	IFAD	TCP and Extra-budgetary resources
Output 4.3: Capacity of government technical staff for M&E and knowledge management strengthened	600,000		600,000	MAFS, NUL, LENAFU, MFLR, NGO's	IFAD	Extra-budgetary resources
Overall resource requirements	19,700,000	4,550,000	15,150,000			

Annex 4: Monitoring framework

CPF Results	Indicators, baseline & target	Means & sources of verification	Assumptions	Method and frequency
CPF priority 1: Enhance sustainable food and nutrition security				
Outcome 1: Response by national institutions and farmers organizations to food insecurity strengthened	Percentage of national agriculture budget spent on climate smart production technologies	MAFS and MFLR reports Annual budget statement	Funding for agricultural support services is not reduced beyond the minimum threshold for delivering such services to the farming community	Annual reviews
	Baseline: 5% capital budget spent on irrigation development			
	Target: 10% of the agricultural capital budget spent on irrigation and conservation agriculture			
	Disaster Risk Reduction/Management (DRR/M) measures mainstreamed into food security and nutrition policies and plans	MAFS, DMA and FNCO reports Sector Strategy documents	Key players in agriculture, food security and nutrition acquainted with the provisions of the DRR policy and committed to mainstreaming it in their respective sectors	Annual reviews
	Baseline: DRR policy in place			
	Target: mainstreaming DRR/M into programmes and plans completed by 2015			
Priority Area 2: Enabling environment for sustainable agri-business development				
Outcome 2: Agri-business increased by 2017	Number of new horticulture, poultry and piggery enterprises and operational by 2017	MAFS and MTICM reports.	<ul style="list-style-type: none"> • Conducive environment created for the private sector participation • Increased commitment for policy implementation 	Annual reviews and scheduled assessments
	Baseline: zero			
	Target: at least 40 enterprises established for each commodity			
	percentage change in marketed produce for selected value chains by 2017			
	Baseline: to be determined 2013			
	Target: 20% increase in poultry, piggery and horticulture by 2017			
Priority Area 3: Strengthen sustainable management of natural resources				

Outcome 3: By 2017, natural resources are sustainably managed by local authorities and community groups	number of communities engaged in initiatives that focus on protection of environment and conservation of natural resources	MFLR and MLGC reports	Presence of political will and commitment to address the underlying causes of land degradation and child labour in livestock	Annual reviews
	Baseline: 160			
	Target: 240 with 50% participation by women			
	Percentage increase in number and area of rehabilitated and protected watersheds			
	Baseline: 250,000ha			
	Target:300,000 ha			
Priority 4: Strengthen capacity for better agricultural service delivery				
Outcome 4: Access to improved agricultural services by farmers strengthened	20% increase in poultry, piggery and horticulture by 2017	MAFS and MTICM reports	Commitment from government and its cooperating partners to strengthen research and extension services in both state and non-state institutions	Annual reviews
	Baseline: to be determined			
	Target: 600 farmers trained annually of which 50% women	MAFS reports		
	Percentage of targeted farmers that adopt recommended production practices and technologies			
	Baseline: to be determined			
Target: 75% by 2017				

Annex5: History of FAO's presence in Lesotho

Introduction

Lesotho is a small landlocked country which is completely surrounded by the Republic of South Africa. The country is politically divided into ten administrative districts which fall within four broad agro-ecological zones, namely the mountains, the lowlands, the foothills and the Senqu River valley. These distinct agro-ecological zones present different challenges and opportunities which have informed FAO's interventions over the years.

While FAO country office was only established in 1983, the organisation has implemented programmes and interventions well before this date. It has been actively involved in Lesotho's agricultural and rural development initiatives for over three decades. The total volume of support that FAO has provided over the last three decades is about \$110 million and about half this was in the form of projects that were specific for Lesotho while the other half was in the form of regional projects. In all these years, achieving food security for all has always been at the heart of FAO's efforts in Lesotho. The Organization strives to ensure that people have regular access to sufficient high-quality food to lead active and healthy lives. The main thrust of the Organization is to support government's efforts for the implementation of agricultural and rural development policies and programmes. It has over the past few years been instrumental in supporting vulnerable farming households with essential agricultural inputs and technical support while also promoting sustainable land management practices and improved production technologies.

The main policy frameworks that guide FAO interventions and activities are the Agricultural Sector Strategy, the Poverty Reduction Strategy, which now being replaced by the National Strategic Development Plan, and the Food Security Policy and Action Plan. These are key instruments for priority setting and action. Over the last ten years FAO activities in Lesotho have largely focused on four broad areas of intervention, namely, support to policy and strategy development, promotion of innovative agricultural technologies, natural resource management, and response to agricultural emergencies.

Summary of achievements

Policy and institutional strengthening

Following the restructuring of the agricultural sector in 2003, which resulted in the establishment of the Ministry of Forestry and Land Reclamation and the change in nomenclature of the parent ministry from the Ministry of Agriculture and Land Reclamation to the Ministry of Agriculture and Food Security, FAO was instrumental in supporting the two ministries to articulate their new strategic focus. For the Ministry of Agriculture and Food Security, the organisation provided technical and material support for the development of the Lesotho Food Security Policy and Strategic guidelines in April 2005 and the subsequent National Action Plan for Food Security in October 2006. For the Ministry of Forestry and Land Reclamation, substantial support was provided in developing the new forestry policy and a ten-year National Programme of Action for Forestry in

2008. The development of the forestry policy and programme of action was preceded by a series of thematic studies which were meant to facilitate and enhance participation of non-state stakeholders in forestry activities. Most recently, FAO provided technical support for the review of the Ministry's integrated watershed management programme.

Other policy development works which FAO has assisted the Government of Lesotho in drafting include the irrigation policy, seed policy, nutrition policy and fisheries strategic framework. Currently the Government of Lesotho is finalising the development of the Phytosanitary Policy and Legislation through the assistance of FAO. The development of this policy and legal framework is meant to improve fair trade in plants and plant materials between Lesotho and her neighbours while also protecting the farming community from the threats posed by trade related introduction of unwanted pests. FAO has also been asked to help review and update archaic livestock policies and legislation.

Lastly, under this theme, in June 2010FAO supported and facilitated the National Agricultural Forum which sought to discuss challenges facing the sector and map a way forward for the revival of the sector. As a follow-up to this forum the Government of Lesotho was further supported technically and materially by FAO to articulate the agricultural component of the National Strategic Development Plan.

Prior to this policy work, FAO has been instrumental in supporting institutional capacity building initiatives. In the early to mid-1990s, FAO was involved in supporting capacity development in the then Ministry of Agriculture, Co-operatives and Marketing. One such support came through a TCP funded project (TCP/LES/2355) on Strengthening Agricultural Sector Planning. This project was implemented in 1995 with a total budget of \$300,000. The main objective of that support was to strengthen agricultural planning, policy analysis, and monitoring of the implementation of the agricultural development programmes. The other important institutional strengthening initiative came through the Swedish funded project (GCP/LES/026/SWE) on Forestry Training and Development that was implemented between 1989 and 1995. This project was funded to a tune of US\$3,713,818. Through this support the government of Lesotho was able to introduce a diploma course on forestry and natural resource management in the Lesotho Agricultural College. A number of specialized courses and fellowship studies in the area of forestry and range management were undertaken by Lesotho nationals who later became lecturers in this college. Most of these trainings were at M.sc level and obtained in overseas universities including UK and USA. The other important institutional capacity strengthening effort was done through the Danish funded project (GCP/LES/033/DAN) on Early Warning system for Food Security, which was implemented over a two-year period starting from November 1987 with a total budget of \$665,384. The main outcome of this support was the establishment of the National Early Warning Unit which provides advance information on crop production and food supply in general. This provides alerts to all concerned about the imminent food shortages or surplus, so that suitable and timely remedial action could be taken. This National Early Warning Unit is currently housed in the Disaster Management Authority of the Prime Minister's Office and coordinates early warning activities among the various government departments. Lastly, between September 1987 and August 1991 FAO supported the establishment of the Wool and Mohair testing laboratory through a UNDP funded project (LES/82/004/01/12). The project was funded to a tune of \$600,324 and its main objective was to

maximize returns to wool and mohair growers through an accurate grading system as required by the wool and mohair marketing standards. The testing laboratory was established at the Livestock Products Marketing Services (LPMS) Headquarters and sufficient training was provided to LPMS personnel to cover local needs of wool and mohair industry.

Institution strengthening was not only confined to formal government institutions. A lot of effort was made to support formation of local and grassroots institutions such as farmer associations and cooperatives. The UNDP funded Thabana Morena Rural Development Project (LES/82/004) which ran from 1983 to 1987 particularly focused on supporting the formation of rural-based organizations including multipurpose cooperative societies. These institutions were engaged in income generating activities. The enterprises which were successful include vegetable production, fodder production, egg production, and cottage industries. The total funding for this project was \$1,384,074. The efforts of this project were further supported through the Netherlands funded project (GCP/LES/029/NET) that assisted the rural poor to increase their income and self-reliance through promotion of self-help organizations. The project was implemented from March 1984 to January 1989 with a total budget of \$226,149.

Innovative agricultural technologies

In the past five years FAO has been instrumental in introducing and supporting conservation agriculture initiatives. This was largely informed by the recognition that Lesotho was rapidly losing its production base (soil) due to excessive soil erosion and that the conventional agricultural practices were the main culprits as they exposed the soil to both sheet and gully erosion. This technology which advocates for minimum soil disturbance and permanent soil cover was seen as a solution to this immense challenge. While the takeoff has been slow, attitudes of the farming community in Lesotho are slowly beginning to change as a result of a few success stories and study tours organized by FAO to areas in South Africa where this technology has been successfully implemented at commercial scale.

The current conservation agriculture initiatives are building on the earlier support on soil and water conservation that was provided through funding from the Netherlands (GCP/LES/039/NET & GCP/LES/034/NET). The total funding for this support amounted to \$2,253,712. While soil erosion and conservation have for years been a major policy concern to Lesotho, efforts by both government and development partners have yielded very little. Lessons from these efforts led to a shift from classical erosion control towards integrating conservation with increased production. This project was informed by these lessons and was implemented in the Southern districts which are more prone to soil erosion and other forms of land degradation and whose agricultural productivity is lowest compared to the other agro-ecological zones. The main objective of this support was to transform agricultural production in Lesotho from its conventional practices that exposes the soil to excessive erosion to a conservation based approach, which seeks to improve production while maintaining environmental sustainability. This shift was to be facilitated through provision of appropriate extension packages to farming communities. The key message under this programme emphasized three aspects of conservation farming, which seek to harmonize the biological, cultural and mechanical elements of soil conservation. These are provision of permanent vegetative cover

for the soil, maintenance or improvement of soil moisture retention capacity, and management of soil fertility for sustained production.

The other important area where FAO is supporting the government and people of Lesotho is with regard to on-farm seed production. Previously, the practice in the Ministry of Agriculture was to exclusively promote hybrid seeds due to their superior performance (under conditions of optimum management) relative to open pollinated seed varieties. This practice enriched seed companies as they were assured of seed demand/market every year given that hybrids cannot and should not be replanted. Unfortunately, with increasing poverty, the majority of farmers could not afford to buy quality seeds and the fertilizers needed to realize high yields every year and consequently resorted to replanting the hybrids with dismal results in the form of production or harvest.

Through the leadership of the Department of Agricultural Research and support of FAO, a number of open pollinated maize and bean seeds have been multiplied both on-station and on the fields of progressive farmers that have been trained in on-farm seed production and management. Farmers participating in this programme are from the districts of Bera, Leribe and Botha-Bothe which have perfect conditions for seed production. This programme has been running for the past four years and in some areas these open pollinated varieties have out-performed the much fancied hybrids.

Earlier support in this sub-sector includes training on wheat and bean seed production which was done in the early 1980s and training on potato seed production. Seed potato production holds a major comparative advantage for Lesotho and national efforts are currently underway to encourage farming in the highlands of Lesotho to engage in potato seed production for income generation and household food security.

In the livestock sub-sector FAO has been influential in supporting and promoting the rearing of short cycle animal species. Livestock keeping is not only an important economic activity for many rural households but is also critical for performance of important traditional functions. For instance cattle provide the main form of draught power for crop production while horses are an important means of transport in the rural areas. While these important traditional functions are largely performed by larger animals (cattle and horses), the smaller and short life cycle species are an important livelihood sources for the rural families. It is for this reason that FAO through the Special Programme for Food Security and other related programmes promoted the rearing of small animals in the form of dual purpose poultry, piggery, sheep and goats. To meet the demands for dual purpose chickens FAO supported the refurbishment of the national poultry plant and installed hatchery equipment and machinery. This plant supplies dual purpose chickens throughout the country. The presence of dual purpose chickens in poor households makes a huge difference on family nutrition. Combined with homestead vegetable production this initiative is critical in fighting micro-nutrient deficiency by ensuring ease access to animal protein in the form of eggs and poultry meat.

Natural Resource management

The agricultural sector strategy and other related policy frameworks have long realized that water management in all its forms is critical for improving crop production in Lesotho. In response to this realization FAO supported the development of small scale irrigation schemes under its Special

Programme for Food Security. It later became apparent that community/group dynamics and limited technical knowledge on the part of the extension service were at the core of the failures of the irrigation initiatives. In response to the skills limitations of the extension services, FAO in 2006 supported the Ministry of Agriculture in providing on-the-job training to a number of irrigation technicians. Following this training, some impact of irrigation development was beginning to be seen on the ground. However, the biggest challenge facing the Ministry of Agriculture has been the retention of the trained irrigation personnel. The majority of those that were trained with the FAO support have since left the department.

With the leadership of Ministry of Forestry and Land Reclamation the key emphasis by FAO has been on the adoption of an integrated watershed management. Recognizing that sustainable use and management of land resources will only be achieved by adopting a system of improved land, water and vegetation management with the direct involvement and participation of different actors, FAO supported the implementation of the first watershed management initiatives by the Ministry of Forestry and Land Reclamation. This was building on the earlier initiatives that supported the then Ministry of Agriculture, Cooperatives, and Marketing in formulating a watershed development strategy and sustainable land use planning.

Response to agricultural emergencies

Over the past five years FAO has played a critical role in responding to agricultural emergencies. In the livestock sector, disease outbreaks have been the biggest threat to the sector and the livelihoods of the people it supports. The diseases that are of particular concern are sheep scabies and anthrax. These two have in the recent past compromised the country's ability to export its wool and mohair which are by far the biggest agricultural export commodities for Lesotho. In response to sheep scabies outbreak FAO mobilised donor funding and managed to procure drugs and provided logistics for vaccination of about 80% of sheep and goats throughout the entire country. The anthrax outbreak in 2008 was only confined to Maseru and Mafeteng districts. In response to this outbreak FAO provided drugs and logistics for vaccination of over 700,000 domesticated animals in these two districts.

In response to drought and soaring food and commodity prices, FAO has over the last four to five years mobilised donor resources to support vulnerable farming households with agricultural inputs in the form of seeds, fertilizers and tools. To date over 90,000 households have been assisted. Major donors that have supported this programme include, EU (through ECHO and EU Food Facility), UN CERF, Belgium, Norway and DFID.

Commercialization of Agriculture

A number of commentators and observers have often questioned Lesotho's potential for agricultural development. Their scepticism stems from the fact that Lesotho has limited arable land and is surrounded by South Africa which has huge agricultural land and thus able to exploit the advantages of the economies of scale. Irrespective of this scepticism, FAO has always maintained that Lesotho cannot afford to neglect agriculture given that over 75% of the rural households depend on it for their livelihoods. But more importantly the country has a number of comparative advantages that it can exploit to enhance agricultural development and growth. It is for this reason

that FAO has been actively involved in advising the government and people of Lesotho to diversify their agricultural production from the predominance of maize to high value crops. To this end FAO supported the establishment of a pilot Asparagus industry and supported Basotho fruit and vegetable canners in as early as 1976. This support was sustained up to 1987, and thus running for more than ten years. This involved commercialization of asparagus production, establishment of an asparagus cannery and training of local personnel on asparagus production, processing and management of the cannery.

The other important areas where FAO supported market oriented agricultural production was through the promotion of seed potato production in the mountain areas. These are areas that often experience total maize crop failures due to early onset of winter frost. To date these areas are still supplying seed potatoes to the rest of the country at premium prices. Unlike maize producers, farmers engaged in potato production rarely experience complete crop failures due to unfavourable climatic conditions.

Efforts to commercialize agriculture were further supported from March 1991 to June 1994 through a project on strengthening the marketing of domestically produced fresh produce. This project (LES/88/010/01/12) was funded to a tune of \$923,663. Key outputs of this intervention included the establishment of fresh produce market information system, strengthening of the operations of the regional fresh produce market centres, and improving marketing of eggs, poultry and milk.

The drive to commercialize agriculture has again gained momentum. Recognising the challenges faced by farmer or entrepreneurs that want to engaging in agricultural enterprises, government of Lesotho approached FAO for help in conducting feasibility studies for the establishment of marketing and process infrastructure for poultry, piggyery and horticulture value chains. This support has since been provided through a TCP project (TCP/LES/3305) and the preliminary findings of these studies have been shared widely with stakeholders. Implementation of the recommendations of these studies should unlock private and public investment in these three value chains.

Nutrition and HIV/AIDS

Lesotho like many other southern African countries recognizes HIV/AIDS as a humanitarian disaster and the government is counting on the support of its development partners to help overcome the scourge of this disease. With prevalence rates now estimated around 23.6 amongst adults in Lesotho, the country is facing one of the biggest development challenges in its history .

As part of the broader UN system in Lesotho, FAO is expected to play a major role in supporting the Government and people of Lesotho in managing the scourge of HIV and AIDS. Given that the majority of Basotho live in the rural areas and depend to a large extent on agriculture for their livelihoods, agriculture and rural development sectors present a unique opportunity for combating the epidemic in Lesotho. Good nutrition is often the only means for rural people to slow progression from HIV to AIDS. For those that have access to AIDS drugs, improved nutrition enables them to be utilized effectively. Hence FAO, with the UN mandate for improving nutrition and food security, agriculture and rural development, has a major responsibility to contribute to tackling the impacts of the disease.

While FAO does not have a HIV and AIDS programme per se it continues to mainstream HIV and AIDS in all its programming with particular focus on impact mitigation. Activities that have been implemented and promoted over the years include:

- Provision of training (training of trainers) to agricultural extension workers on nutrition counselling care and support for people living with HIV and AIDS.
- Promoting awareness and understanding about the importance of nutrition in treatment of HIV-infected individuals and other household members;
- Promoting homestead vegetable production for vulnerable and HIV and AIDS affected communities.
- Promoting labour saving technologies and practices to overcome labour shortages and labour peaks associated with farming. These technologies include conservation agriculture which employs the principles of minimum tillage. This technology does not only save labour but also reduces the rate of soil erosion which is largely to blame for the declining agricultural production in Lesotho.
- Reducing the burden of daily household tasks through promoting simple technologies such as water control, roof water harvesting and simple small scale irrigation systems such as drip irrigation.
- Supporting the livelihoods of HIV and AIDS affected households and encouraging livelihoods diversification through introducing low-labour input enterprises such as dual purpose poultry.

Annex 6: Government and partners programmes in support of Agriculture, Food and Nutrition Security

Institutions	Key actions/interventions/mandate	Remarks/issues
Ministry of Agriculture and Food Security	Provides agricultural support services and general input subsidies for crop production	Service delivery hampered by weak technical and operational capacity
Food and Nutrition Coordinating Office	Coordinates food and nutrition programmes	Lack of nutrition policy makes the coordination process difficult as the roles and responsibilities of different actors are not clear. Fails to perform some of its mundane functions like Biennial nutrition surveys due to lack of technical and operational capacity
Ministry of Forestry and Land Reclamation	To lead government efforts towards conserving natural resources and halting land degradation	Given the nature of the challenges facing this sector major inroads will can never be made in the context of weak and uncoordinated institutions and doubtful political
Ministry of Social Development	Provides old age pension to people aged 70 years and above, and cash grants to orphans (under the support of EU and UNICEF)	So far the focus of this programme has been on protective social assistance. There is need to broaden it to livelihood based social production which can support productive activities for the target groups.
Ministry of Trade and Industry Cooperatives and Marketing	Promotes market oriented agriculture production and provides market information to both farmers and traders	Has serious capacity limitations to effectively deliver the required services to the farmers and traders
Non-Governmental Organisations	Implement food and nutrition security programmes with funding from donors such as USAID and Irish Aid	Programmes have limited coverage and up-scaling is usually problematic as there are no functional linkages with key actors including government ministries
WFP	Provides food assistance to vulnerable households and supports school feeding	
UNICEF	Supports cash grants and therapeutic feeding for acute malnutrition cases	
UNDP	Implements sustainable land management project through GEF	More needs to be done to coordinate and rally the support of all key actors

	funding	on issues of land management
Millennium Challenge Account (MCA)	Supports land administration and restoration of wetlands	The key challenge is for the country to sustain these initiatives beyond the lifespan of the MCA
IFAD	Finances Rural Financial Intermediation Programme	
IFAD and World Bank	Smallholder Agriculture Development Project	The only covers four of the ten districts. Support and partnerships are required to implement the proposed initiatives across the entire country.

