



**UNITED NATIONS DEVELOPMENT PROGRAMME
PROGRAM OF THE GOVERNMENT OF LESOTHO
PROGRAM SUPPORT DOCUMENT**

Project Number & Title: LES/01/006: Environmental Management for Poverty Reduction
 Estimated Starting Date: October 2001
 Estimated Ending Date: 31 October 2004
 Duration: 3 Years
 Management Arrangements: NEX-- National Execution
 Executing Agency: MEGYA
 Implementing Agencies: Department of Environment/MEGYA
 Lesotho Environmental Authority (LEA)
 Cooperating Agencies: NGOs, Private Sector, Youth Organizations
 Women Groups
 Project Sites: Maseru, and whole country

Summary of Budget (Figures in Million US\$)	
Cost-Sharing	
UNDP (TRAC-1&2):	1,177,855
GOL:	1,275,000
COA Costs:	63,750
Sub-total:	2,516,605
Parallel Financing	
UNDP:	
(HIV/AIDS Prevention Project):	483,000
Sub-total:	483,000
Total Budget:	2,999,605

LPAC Review Date: 2nd August 2001
 Programme Officer: Lineo Mdee

Government Inputs
 in-kind =
 in cash = see above under CS

Classification Information	
DCAS sector and subsector: Natural Resources; Environmental Preservation & Rehabilitation	Primary type of intervention: Direct Support; Advisory Services
ACC sector & subsector: Natural Resources; Biological Resources	Secondary type of intervention: Capacity Building; Technology Adoption
Primary areas of focus/sub-focus: Promoting Environmental and Natural Resources Sustainability; Application of Science and Technology for Environmental Sustainability	Primary target beneficiaries: The Poor Youth; Local Communities
Secondary areas of focus/sub-focus: Promoting Poverty Eradication and Sustainable Livelihoods; Reduction of Poverty through Natural Resources Management; (3) Promoting Environmental & Natural Resources Sustainability	Secondary target beneficiaries: Target organizations

Brief Description: This PSD provides a comprehensive response to address the issues and priorities related to poverty-environment nexus through better conservation and protection of country's natural resources and improved environmental management. The Government priorities to this effect are elaborated in the National Environment Action Plan, Environment Policy and Poverty Reduction Strategy. Towards this aim, the PSD has proposed a wide range of interventions grouped under the following three major components: (a) strategic environmental planning; (b) sustainable livelihoods; and (c) environment management. The first component aims at improving the quality of decision making at upstream level with respect to functions related to environment policy formulation, implementation and coordination. Intent of the second component is to improve the quality of life of country's unemployed youth population by engaging them in productive activities related to natural resources management. The third component mainly focuses on improving the environmental health conditions in selected target areas by minimizing pollution effects. All three components would work in a mutually supportive manner towards alleviating poverty either by increasing the income of poor people (youth) or improving the health conditions of general public--both measures leading to improved quality of life. The program envisages providing support to LEA as soon as it is established. Developing partnerships with private sector and local communities is the key feature of the proposed program. The proposed program will work in close coordination with other similar projects/programs, and capitalize on the opportunities already created by the NEYC project over the last five years.

On behalf of	Signatures	Date	Name/Title
Government of Lesotho		26/10/2001	T. S. RAMETSOANE Principal Secretary
UNDP		21/10/2001	SCHIASTICA KINANE Assistant Representative

TABLE OF CONTENTS (contd...)

5.6.4	Institutional Sustainability.....	23
5.6.5	Socio-cultural Sustainability.....	24
6.	PROGRAM SUPPORT OBJECTIVES.....	24
6.1.	Development Objective.....	24
6.2.	Description of Program Support Objectives.....	24
7.	PROGRAM MANAGEMENT.....	25
7.1.	Main Elements of Implementation Strategy.....	25
7.2.	General Implementation Arrangements.....	26
7.3.	Specific Implementation Arrangements.....	27
7.4.	Staffing of PMIU.....	29
7.5.	Coordination with Other Programs/Projects.....	31
7.6.	Technical Backstopping.....	32
8.	MONITORING AND EVALUATION.....	33
9.	RISKS AND PRIOR OBLIGATIONS.....	34
9.1.	Risk Analysis.....	34
9.2.	Prior Obligations and Pre-requisites.....	35
10.	LEGAL CONTEXT.....	36
SECTION III: OUTPUTS, ACTIVITIES, WORK PLAN AND FINANCIAL MANAGEMENT		
11.	PSOs, OUTPUTS AND ACTIVITIES.....	37
12.	WORK PLAN.....	39
13.	FINANCIAL MANAGEMENT.....	40
13.1	Total Program Budget/Costs.....	40
13.2.	Program Financing.....	40
13.3.	Resource Mobilization Strategy.....	40
13.4.	Mechanisms for Financial Accounting and Reporting.....	42
LIST OF ANNEXES		
Annex 1:	Terms of Reference for National/International Staff.....	45
Annex 2:	Total Program Budget.....	50
Annex 3:	Program Budget by Components and Outputs.....	52
Annex 4:	Work Plan for the First Year.....	53

LIST OF ACRONYMS

APR	=	Annual Program Report
CCA	=	Common Country Assessment
CCF	=	Country Cooperation Framework
CO	=	Country Office
DANCED	=	
DOE	=	Department of Environment
EAMS	=	Environmental Accounting and Monitoring System
FAO	=	Food and Agriculture Organization of the United Nations
GEF	=	Global Environment Facility
GOL	=	Government of Lesotho
Govt	=	Government
GTZ	=	German Technical Cooperation
ha	=	Hectare
IUCN	=	World Conservation Union
KM2	=	Kilometers Square
LAPCA	=	
Les	=	Lesotho
LOF	=	
MIS	=	Management Information System
MOA	=	Ministry of Agriculture
MOC	=	
MOE	=	
MOH	=	Ministry of Health
MOLG	=	Ministry of Local Government
MOYGYA	=	Ministry of Environment, Gender and Youth Affairs
NEA	=	National Environment Authority
NEAP	=	National Environment Action Plan
NES	=	National Environment Secretariat
NEX	=	National Execution
NEYC	=	National Environment Youth Corps
NGOs	=	Non-Governmental Organizations
NPD	=	National Program Director
NPM	=	National Program Manager
O&M	=	Operations and Maintenance
PIC	=	Program Implementation Committee
PIU	=	Program Implementation Unit
PMIU	=	Program Management and Implementation Unit
PRSP	=	Poverty Reduction Strategy Paper
PSC	=	Program Support Component
PSD	=	Program Support Document
SHD	=	Sustainable Human Development
TPR	=	Tripartite Review
TTPR	=	Terminal Tripartite Review
UNDAF	=	United Nations Development Assistance Framework
UNDESA	=	United Nations Department of Economic and Social Affairs
UNDP	=	United Nations Development Programme
UNEP	=	United Nations Environment Programme
UNFPA	=	United Nations Population Fund
UNICEF	=	United Nations Children Fund
UNIDO	=	United Nations Industrial Development Organization
UNOPS	=	United Nations Office of Project Services
UNV	=	United Nations Volunteer
VDCs	=	Village Development Councils
WHO	=	World Health Organization

Table 2: Staffing Requirements for the Program

Program Posts	WM
National Program Manger (NPM)	36
National Adviser: Environmental Policy (PSC.1)	30
National Adviser: Natural Resources Management (PSC.2) (Income Generating Officer)	30
National Adviser: Pollution Control (PSC.3)	30
Information Officer (PSC.1)	24
Waste Management Officer (PSC.2)	24
Project Engineer (PSC.3)	24
10 Field Officers (one for each District)	360
National Consultants (9 focus areas x 2 month in 3 year)	18
International Consultants (3 PSCs x 1 month in 2 years)	06
UNV: Environmental Information Management Expert	24
Admin/Accounts Officer	36
Secretary	36
Drivers: 5 (to be recruited gradually over project life)	150

This could very well be ensured by employing transparent and competitive recruitment procedures. To facilitate this process, it is proposed that selection of all staff should be processed through a joint selection committee consisting of representatives from the UNDP and the national executing agency. The standard UNDP procedures will be followed for staff recruitment. TOR for the core staff positions (NPM, national advisers who will serve as the team leaders for three program support components, and UNV Information management expert) are provided in Annex 1.

The staffing requirements shown in Table 2 are those to be funded from the program budget. In order to ensure continued capacity building of the LEA staff, it is important that the implementing agencies place core staff at the disposal of the PMIU. In addition to the National Program Director (NPD), a number of professionals should be assigned to work as counterpart staff to the program staff. In order to ensure smooth implementation of the program, the Government is expected to assign at least a team of 2-3 staff to work with each program support component at the headquarters level. These staff will serve as focal points for the activities to be undertaken under PSC, and will ensure coordination with the district level administrative infrastructure for implementation of planned activities at the field level. During the previous phases, the Government was not able to assign the counterpart staff to the project in required number which hindered project progress in many ways. Therefore, in order to sustain program impacts over the long-run it is crucial that same mistake is not repeated again. In order to sustain program impacts over the long-run, it is extremely important that the technical staff hired under the program (especially the field officers) are absorbed by the Ministry. This was something anticipated during the previous phases of this program, but never materialized.

7.5 Co-ordination with Other Programs and Projects

The evolution of UNDP's own conceptual framework for its support operations has caused a shift from the *project* support mode to a *program* support mode. This later approach, *inter-alia*, provides an opportunity and framework to link the intended UNDP assistance to the on-going and planned interventions in the sector with an objective to

SECTION I SUMMARY OF THE NATIONAL PROGRAM

1. ANALYSIS OF THE PROBLEM

Lesotho is characterized by widespread mass poverty affecting both urban and rural populations. The distribution of income is highly unequal and biased against the majority of the population living in the rural areas. With high rates of urbanization, poverty is increasingly migrating into the urban areas as well. Household incomes have been further suppressed by reduced agricultural productivity and the decline in remitted earnings from Basotho migrant miners. In general, the real per capita income is declining, unemployment is on the rise, the enrolment in the primary schools is decreasing, the percentage of the population having access to safe drinking water and sanitation in rural areas is almost stagnant if not declining, and life expectancy figures shows a loss of 14 years over the past decade (from 66 years to 52 years) as a result of HIV/AIDS epidemic. Poverty is aggravated by the people's lack of the resources, influence, and organization to access those services that could enhance their economic status and quality of life. Women and youth are particularly hard hit by poverty.

1.1 Poverty-Environment Nexus

The poor are solely dependent on natural resources and virtually have no resources to invest in their conservation. For instance, the soils are not adequately fertilized, high efficiency irrigation techniques are not used to conserve water, rangelands are overgrazed to produce flocks of livestock and forests are degraded while ruthlessly extracting timber, fuel wood and grass which consequently depletes capacity of water reservoirs due to siltation. Once the ecosystems are degraded, they cannot sustain the human and livestock population, which results in reduced income of the already poor people, thus leading to a widespread poverty. In urban centers, the poor have to spend more on below standard housing and face health hazards due to lack of safe drinking water, sanitation and exposure to industrial and air pollution. The pooled effect of these factors is reduced life span; loss of income due to job-days lost because of illnesses and increased expenses on health care. Again the poor remain in poverty trap. Lesotho is confronted with a number of severe environmental problems which are also linked with poverty, such as degradation of natural resources, increasing pollution-resulting from rapid urbanization growth, and degradation of human health, etc.

1.1.1 Degradation of Natural Resources

The total area of Lesotho is 30,400 Km². Only less than 10% of this area is suitable for arable farming, and agricultural productivity is generally low. The rest is rugged or has been eroded into unusable farms. Most people are concentrated in the less mountainous western third of the country, where competition for limited land resources is intense, and soil erosion is widespread. The arable agricultural land has shrunk from 13 to about 9% in the last 30 years. This is a result of sheet, rill and gully erosion, which is common in the lowlands. The latest estimate of soil loss due to erosion is put at 40 tons/ha/annum--an alarming rate by any standards. Of the 300,000 ha of arable land, gullies and dongas, as a result of soil erosion, occupy 60,000 ha.

Livestock outnumber people by a substantial margin, and are maintained at stocking levels well above long-term carrying capacity, resulting in extensive rangeland degradation. In addition to the constraints imposed by terrain, climate and the scarcity of agricultural land, the traditional land tenure system in which there is no private ownership of land and the grazing of livestock is largely unrestricted are other contributory factors to degradation of rangelands.

Household energy requirements for cooking and heating are derived from biomass in the form of fuel-wood, shrubs, dung and crop residues. The available figures suggest that 90% of the energy requirements are met from these sources. As a consequence, stocks of woody vegetation have been severely depleted and the beneficial effects of manuring crops, including soil fertility, water retention capacity and agricultural productivity are limited.

The farmers are aware of these problems but are unable to add supplements into their soils due to lack of financial resources, rather they are bound to burn crop residues and animal dung as there is scarcity of fuel-wood and natural gas and high cost of electricity cannot be afforded by the poor. At the same time, efforts for afforestation and watershed management have not kept pace with the increasing demand for timber and excessive cutting and overgrazing. With the increase in population, further increase in wood consumption is hardly surprising. The negative consequences of uncontrolled forest exploitation are obvious. They include: soil erosion and sedimentation, desertification of once-productive upland areas, silting up of waterways in plains, and marked scarcities of fuel-wood.

1.1.2 Degradation of Urban Environment

As in many other developing countries, there has been a dramatic expansion in the urban areas in recent years, but most of that growth has been unplanned and urban management and services are rudimentary. Services, such as water and electricity supply, sewerage collection are rudimentary and frequently non-existent, resulting in unhygienic surroundings and pollution of streams. The provision of basic services and amenities such as housing, potable water, transportation, electricity, gas, drainage and sewage has not kept pace the rate of urbanization, especially in the capital city of Maseru. Only a fraction of the solid waste is collected and disposed of properly. The poor are more prone to suffer the adverse health impacts. This is both because of their greater exposure to polluted water, as well as the lack of health facilities. Lack of awareness, poor enforcement of regulations, and insufficient waste disposal facilities are the main reasons for poor state of urban environment.

On the other hand, industrial development is being actively promoted in and around major urban centers to generate local opportunities for employment. Main examples of such industries include fruit and vegetable canning, pharmaceutical manufacturing, brewing, flour milling, fertilizer blending and packing, tanning and cloth/textile manufacturing. Inadequate industrial/household waste management practices contribute to poor environmental health conditions. Typically, it has been observed that low-income neighborhoods mushroom around industrial areas and power plants because of employment opportunities, without recognizing the fact that exposure to pollution remains relatively high in such surroundings.

Another problem directly associated with rapid urbanization is its contribution to air pollution. Owing to the high proportion of old and un-tuned engines of automobiles and the dependence on buses and light commercial vehicles in metropolitan areas, air pollution along busy roads is greater in magnitude than would be expected for the number of vehicles on the road. The vehicular pollution problem is further compounded by the fact that the old model automobiles, which have completed their lifetime, are still in use as the people lack enough resources to buy new automobiles and the country cannot afford to spend foreign exchange for this purpose.

Controlling industrial pollution with an objective to improve environmental health conditions have gained widespread recognition in recent years, and will become increasingly important with continued urban and industrial expansion. In summary, attributions of cause and effect to Lesotho's environmental problems are complicated by the cross-sectoral and inter-related nature of those concerns, which encompass agriculture, livestock, forestry, water resources, energy, urban settlement, and industrial development. With high population growth, increasing demand for food and fuel, urban expansion and further industrialization in years to come, pressures on available resources are bound to intensify.

1.1.3 Loss of Biodiversity

The mountains of the country possess globally significant plant diversity, with unique habitats and high endemism. These resources are increasingly degraded by a grazing regime based on communal access, with reduced regulatory capacity. Lack of ownership restricts investment in conservation. For example, Lesotho has the lowest protected area coverage of any nation in Africa (<0.4%). Biodiversity is thus at a great risk. Two major threats to biodiversity in Lesotho are: (i) degradation of ecosystems by domestic livestock, leading to a loss of habitat quality; and (ii) forest loss owing to the unsustainable harvest of fuel-wood, trees for the construction of shelters and fodder for livestock. The underlying causes of these threats, *inter-alia*, include: (i) communities have little utilitarian stake in protecting the resources--due to lack of participatory management; (ii) poorly developed legal instruments to support community-based conservation initiatives; (iii) minimal opportunities for sustaining livelihoods, water and fuel-wood; and (iv) limited access to alternate fuel sources.

1.2 **The Population Groups Affected**

The effectees of poverty in general and environmental degradation in particular are overwhelmingly the poor, both in urban and rural areas. Degradation of ecosystems causes widespread poverty and displacement of communities. Such impacts are evident in the form of resource competition and pressure, as reflected in high rate of urbanization patterns. The country's youth population is suffering the most because of lack of employment opportunities, while they form the major share of the national labor force. Poor infants and children are affected since they are more susceptible to the total effects of toxic chemicals than adults. The women are affected because of the critical role they play in the utilization and management of resources and in economic and household production. They are the gatherers of food and the collectors of fuel-wood, fodder and water. They also suffer from the adverse health effects resulting from air pollution due to cooking with low-grade fuels, or bathing or washing clothes in polluted waters. The women are more prone to industrial pollution as well since there are some industries (organised or unorganised) where mostly

women are employed. On the face of rising poverty, women and youth in particular are becoming more vulnerable to HIV/AIDS infection.

1.3 Previous Experiences and Lessons Learned

Over the last decade or so, the development focus had been to alleviate poverty in one way or the other, especially through implementing projects and programs that aimed at creating employment opportunities. Within this framework, a number of projects were implemented as part of the natural resources and environment management portfolio. These projects and programs met with varying degree of success. Experiences gained from the implementation of these interventions are summarised below.

1.3.1 National Environment Youth Corps (LES/94/008)

This program started in 1996 and was implemented in three successive phases. It was funded by the UNDP, the Government of Lesotho and the Government of Netherlands. Most program activities were executed by the Ministry of the Environment, Gender, and Youth Affairs (MoEGYA) under the auspices of the National Environment Secretariat (NES). The target beneficiaries were unemployed youth between 15-25 years who have been out of school for two years and were expected to join the program for 3 years. The specific program activities included rehabilitation of environmentally degraded sites, while creating employment opportunities for youth who were trained in environmental management and rehabilitation practices.

With regard to improving environmental degradation, the program has achieved many of its stated objectives. By the year 2000, a total of about 1500 youth were trained in rural environmental rehabilitation and management, exceeding the originally planned target by some 25%. Other achievements included: (i) creation of 5,780 stone check dams; (ii) rehabilitation of 4,600 hectares of land; (iii) plantation of 64 tree nurseries; and (iv) construction of 20 conservation dams. While initially the quality of some of the rehabilitation work was not up to required standards, but it is now considered quite acceptable. The afforestation side of the program has been less successful due, mainly, to unresolved land tenure problems that resulted in grazing of the seedlings.

With respect to income generating projects, poultry enterprising was favored by the youth as it yielded quick returns and this helped to sustain the interest of the youth in some of the other activities that took longer time to bear results such as woodlots, orchards and fodder production. Some groups were engaged in stone cutting and dressing for sale, demonstrating the use of an abundant resource to earn a living. On the training front, about 280 youth were mobilized and trained in urban clean up, waste sorting, coal dust/clay briquettes manufacturing and construction of prefabricated houses and other products from used aluminum cans. Other innovations included bottling of drinks and candle making.

1.3.2 Strengthening of the National Environment Secretariat-NES (LES/93/013)

In 1994 Government established the NES, in the Prime Ministers Office; to oversee implementation of the National Environment Action Plan (NEAP) and Agenda 21 in Lesotho, with funding from the UNDP. The NES has the mandate to formulate guidelines for environmental screening of projects, maintain liaison between national institutions, NGOs and the private sector, and promote environmental education and awareness

throughout the country. The aim of the project was to ensure that environment is integrated into all national development activities. The NES was to be the focal point for all environmental related activities in the country. While the project achieved a number of its key objectives by translating key aspects of Agenda 21 into respective action plans, its implementation was also marked by some serious problems. The cost of the project doubled over the project period. The issue of capacity building remained a major source of concern throughout the life of project--it never reached its full staffing strength. Lack of availability of counterpart staff to work with the international staff seriously hampered the planned capacity building targets and objectives. Worst of all, when the Ministry of Environment, Gender and Youth Affairs was formed in 1998, the status of NES was reduced to the level of a department within the Ministry. However, its administrative profile is again expected to be enhanced to the level of an Environmental Authority with the enactment of the environmental bill, currently under consideration by the parliament.

1.3.3 National Rural Development Program (LES/93/012)

Decentralized rural development and land husbandry services were the major features of this UNDP assisted initiative, designed to strengthen the planning capacity at District and Village level, and encourage community participation in the decision-making process. Its objectives were to promote implementation of appropriate micro-projects and programmes, based on local assessment of needs and priorities. The Ministry of Agriculture (MoA) and the Ministry of Local Government (MoLG) were the executing agencies. Training of Village Development Committees (VDCs) in two districts in business management, bookkeeping, leadership, and village planning has been the main achievement of the capacity building component. The program has also used participatory rural appraisal techniques to develop a unified extension approach to encourage line ministries to work locally as a team to deliver services to the farmers. In addition to partial achievement of its objectives, the project also established a monitoring and evaluation unit, which was destroyed in civil disturbances of 1998. The project was however a bit ambitious in terms of setting its objectives and targets. Involving two ministries in the execution of project posed problems with respect to horizontal coordination. Insufficient staffing, absence of agreed number of counterparts, and lack of necessary equipment to do the land surveys were some of the other factors that contributed towards not being able to achieve part of intended program objectives.

1.3.4 National Environmental Action Plan (NEAP)

In 1989 Lesotho was one of the first countries in Africa to formulate a National Environmental Action Plan (NEAP). Following recommendations of the United Nations Conference on Environment and Development in 1992, the NEAP has been incorporated within a more general strategy for implementation of Agenda 21 in Lesotho. This strategy relates to the country's wider development goals with regard to socio-economic advancement, management and conservation of natural resources, and the promotion of community participation. Main elements of the NEAP are described in Section 2.2.

1.3.5 Other Initiatives

In addition to above specifically targeted projects, UNDP supported the preparation of national Action Plans for Climate Change, Desertification and Conservation of Biological Diversity. Implementation of biodiversity conservation activities in the southern districts

started in 1999 with UNDP/GEF funding (project: LES/97/99). This is, by far, the largest environment program in the country. The GEF (Global Environment Facility) project provides two distinct but complementary interventions. The first intervention aims to create a network of small protected sites targeting specific biodiversity values. The second intervention will address the conservation in more broader sense by seeking to incorporate biodiversity values in rangeland management systems. Under the Climate Change Operational area, GEF has allocated project Development Facility funds for the preparation of the adoption of solar energy technologies in the country.

More recently, DANCED has initiated projects in Lesotho in the areas of urban waste management, sustainable energy, sustainable land use and environmental degradation. The UNDP has also planned an intervention to reduce the spread of HIV/AIDS by engaging youth in productive natural resources and environment management activities.

1.3.6 Summary of Implementation Issues and Lessons Learned

General Lessons Learned: The general lessons learnt from the implementation of first three projects reviewed above are summarized below. Implementation of the fourth project (GEF project) has gotten underway only about a year ago, and this project is still going through the initial planning phase.

- (a) The projects in the first CCF were merely a continuation of the past initiatives which over a period of time could not maintain consistency with the cluster strategy. This may have hindered their effectiveness, resulted in some duplications, and reduced synergy between this cluster and others dealing with the similar issues. While formulating future programs and projects in the area of *environment* in the second CCF, guiding principles should be drawn from the national development program and poverty reduction strategy.
- (b) For a given cluster, the future programs should envisage support ranging from upstream level policy advise to implementation of concrete activities at the grass root level. Also, the future programs should clearly articulate about their spillover effects on other initiatives within the cluster and across the clusters to avoid duplication of efforts.
- (c) The past projects experienced difficulties because they underestimated the constraints by ignoring realities on the ground, and resources needed to accomplish specific objectives. In some cases, these were poorly designed or lacked a clear implementation strategy. On top of this, limited national capacities and bureaucratic procedures of the designated UN executing agency contributed further towards slowing down the pace of implementation.
- (d) The future PSDs should be well focused in terms of what they aim to achieve and how over the program life, and clearly specify as to what extent they will contribute in achieving the objectives and targets set-forth in the national program. The program implementation strategy should be clearly spelled out, together with the monitoring and evaluation arrangements, and benchmarks and milestones to be monitored.
- (e) The issue regarding non-availability of sufficient counterpart staff always remained on the forefront and was never resolved. As a result, capacity building efforts of some projects were seriously hampered. Such initiatives do not remain sustainable once the donor's assistance is withdrawn. Therefore, the UNDP and Government should work together to ensure how this issue could be resolved.

- (f) The national execution appears to be a preferred choice for future programs because the country had acquired sufficient experience and capacities under the previous phases. Support of the UN technical cooperation agencies could be limited only to the provision of occasional technical services in the form of short-term consultants in areas where national capacities are limited.
- (g) Motivation of the national staff was the key factor in achieving good results in some projects, and reverse was true in some other cases. The Government needs to make more efforts to motivate these staff and retain their services through provision of incentives.

Specific Lessons Learned: The specific lessons learnt from the implementation of NEYC project are summarized below with an objective as how to make the future program financially and socially more sustainable.

- (a) About 2,000 youth or 68 youth groups were trained over the past year. There is a need to assess how many of them are still engaged in the productive activities and are self-employed. So the initial focus of the new program should be to move simultaneously on both fronts: continue training the youth and find out the impact of past programs.
- (b) The overall technical scope of the project needs to be linked to the upstream level policy initiatives. In the past it was not done so mainly because of the existence of the NES project. At the moment, since same institution is sharing the responsibility for policy and regulatory functions as well as for grass root level environment management activities, synergy in these functions need to be secured through better coordination. In addition, the environment management should go much beyond than just the urban cleaning up and include other issues related to environment-health nexus (such as controlling industrial and water pollution etc.).
- (c) There had been concerns about the feasibility and sustainability of income generating activities, in some cases due to lack of access to the markets, while in other cases due to lack of protection (such as seedlings plantation for forestry). It is therefore important that feasibility of income generating activities should be carefully evaluated. The most important aspect of the evaluation criteria should not only be how much of income can be generated with what costs, but how long this business can sustain itself under the current and projected market conditions as well other social considerations.
- (d) This project is expected to continue in one form or the other given Government's commitment to it. The high targets set for the future (200 youth groups/year) calls for enhancing the strength of project staff and they should be better equipped in terms of transport facilities. The strategy for achieving higher targets in the future should be to what extent the youth groups already trained could be used for training of the new groups, otherwise it will not be possible to achieve the planned targets just with the help of the project staff.
- (e) Social side of the project was relatively weak; it was not able to maneuver sufficient support from the local authorities and community leaders. The new program should build upon strong social campaign with an aim to mobilize local authorities and community leaders to support the youth in their income generating projects. As a matter of fact, communities could be involved in some kind of social monitoring with respect to sustainability of income generating projects and provide feed back to the project staff.
- (f) The community empowerment program is going to work with the local community structures in each district with an aim to empower the communities in shaping their future in terms of development planning. These community structures could also serve

as an important resource to the environment program in three areas: (a) organization of local youth groups; (b) identification of income generating activities; and (c) social monitoring.

- (g) The planning of income generating activities should be guided by, *inter-alia*, two factors. First, the financial sustainability of the project/activity itself--this was indeed done in the past. The second factor should promote those activities, which could be used as a base to get the necessary training thus paving the way for seeking formal employment with the private sector industries. In this context, private sector participation in the planning of income generating activities for the youth could be very useful.
- (h) Completion of environmental/ecosystems rehabilitation projects take long time as compared to the time frame typically provided in the project document. Therefore it might not be possible to assess the impact of the income generating activities tied to environmental rehabilitation during the project life.
- (i) Disbursement of government funding to the project is linked to the national budgetary cycle that does not correspond to the operations of the project. That led to slow disbursement of funds, particularly for allowances, which leads to delays in implementation of planned activities.

2. OUTLINE OF THE NATIONAL PROGRAM

Addressing the poverty-environment nexus stands very high on GOL's development agenda. To this effect, Government priorities and strategies can be found in the following four major documents.

- National Development Plan and Strategies
- National Environment Action Plan
- National Environment Policy
- National Environment Legislation

Main features of the national environment program as described in these documents are summarized below.

2.1 National Development Plan and Strategies

The 6th National Development Plan, covering the period 1996/97 to 1998/99, was a departure from the five-year development plans previously used to guide economic planning and development. Recognizing that Lesotho's national development strategies require continuous fine-tuning, monitoring and revision to be truly effective, the formulation of the 6th National Development Plan witnessed GOL adopting a more flexible three-year rolling plan approach under the main theme of *Sustainable Human Development*. Implementation of measures to contain and reduce environmental degradation was one of the key strategy mentioned in the 6th five-year development plan to achieve plan's objectives and targets.

In March 2000, the GOL embarked on a process of defining a long-term vision for Lesotho with an objective to set-up a road map for future development until year 2020, with primary focus on reducing poverty. The program proposed in this PSD will significantly contribute to the achievement of objectives and policies as set-forth in the national development plan by integrating the environmental concerns into the national

development agenda. More specifically, the present program will guide the formulation and implementation of sound environmental management policies based on better environmental monitoring, improved knowledge of the options available to address the environmental issues, and more importantly a good understanding of the poverty-environment nexus. These policies, in turn, will serve as the building blocks of the long-term poverty reduction strategy.

2.2 National Environment Action Plan (NEAP)

In 1989 Lesotho became one of the first countries in Africa to formulate a National Environmental Action Plan (NEAP). Following recommendations of the United Nations Conference on Environment and Development in 1992, the NEAP has been incorporated within a more general strategy for implementation of Agenda 21 in Lesotho. This strategy relates to the country's wider development goals with regard to socio-economic advancement, management and conservation of natural resources, and the promotion of community participation. Eight main areas of focus included in the NEAP were as follows:

- alleviation of poverty through employment generation
- protection of human health and demographic management
- environmental health and hygienic living conditions
- integrated land use planning and sustainable resource management
- promotion of environmental awareness and education
- empowerment of women and local communities
- strengthening the role of NGOs and private sector, as partners in development.

On the institutional front, the National Environment Secretariat (NES) was established in 1994, in the Prime Minister's Office, to oversee implementation of the NEAP and Agenda 21 in Lesotho, with funding from UNDP. However, when the Ministry of Environment, Gender and Youth Affairs (MoEGYA) was formed in 1998, status of NES was reduced only to one of its department. This institutional restructuring scaled down the administrative profile of NES, but with the enactment of environmental legislation it is expected to gain its status in the form of an autonomous authority.

2.3 National Environment Policy

The overall goal of the national environment policy is to achieve sustainable livelihoods and development for Lesotho by addressing a broad range of environmental problems faced by the country. The national environment policy aims to reinforce the sectoral policies within the framework of national economic development agenda. The national environmental policy constitutes the following major elements:

- Assure all people living in the country the fundamental right to an environment adequate for their health and well-being.
- Use and conserve the environment and natural resources of Lesotho for the benefit of both present and future generations, taking into account the rate of population growth and the productivity of available resources.
- Conserve the cultural heritage and use the environment and natural resources of Lesotho for the benefit of both present and future generations.

- Maintain stable functioning relations between the living and non living parts of the environment through preserving biological diversity and respecting the principles of optimal sustainable yield in the use of natural resources.
- Reclaim lost ecosystems where possible and reverse the degradation of natural resources.
- Establish adequate environmental standards and to monitor changes in and publish relevant data on environmental quality and resource use.
- Require prior environmental assessments of proposed activities which may significantly affect the environment or use of a natural resource.
- Ensure that environmental awareness is treated as an integral part of education at all levels, and that this knowledge is used in the planning and implementation of development activities.
- Ensure that the true and total costs of environmental use and abuse are borne by the users, i.e. the "polluter pays" principle.

2.4 National Environment Legislation

The Environment Management Bill of 1997 provides a framework for management of the environment and all natural resources of Lesotho. The Bill is presently under discussion, and its approval will pave the way for enforcement of efficient environmental management strategies. The Bill is divided into seven major parts--each part dealing with its own guiding principles and strategic elements. Part 1 is of introductory nature dealing with definitions and interpretations of the terminology used in the Bill. Basic principles of environment management are elaborated in Part 2. Part 3 deals with the institutional arrangements proposed for environment management, which also include the establishment of Lesotho Environmental Authority (including its functions, constitution, functions, and internal operating rules etc.). Principles for environmental planning at the national and district levels, including the role of line ministries, are elaborated in Part 4. Procedures for environmental impact assessment, auditing and monitoring are the subject of Part 5. Mechanisms for formulation and enforcement of environmental quality standards with are discussed in Part 6, together with standards for noise. The final Part provides the framework for overall environment management with focus on protection of ecosystems (especially afforestation of hilly and mountainous areas and protection of river banks and wetlands).

3. CAPACITY REQUIREMENTS AND ASSESSMENT

The implementing agencies involved in execution of the national program need certain capacities to be able to deliver the national program, as well as to attain and sustain its expected impact. These capacities can be broadly defined in terms of *substantive capacities* (policy formulation, institutional, human resources, technological, and financial) and *support capacities* (program management & co-ordination, information management and budgetary). These capacities are examined in this section.

3.1 Substantive Capacities

3.1.1 Policy and Legislation Formulation Capacity

The GOL has prepared the Environmental Legislation in 1997--which is the most recent and updated legislation on environment in the country. It provides a framework for

enforcing environmental management regulations, and suggestions for protection and conservation of species, habitat and biodiversity, and conservation of renewable resources. The environmental legislation has also made provisions for the establishment of Lesotho Environment Authority (LEA) as one of the instruments to facilitate the implementation of NEAP. The functioning of NES was supported over the last five years or so with an aim to strengthen its technical capacities, especially in the areas of policy and legislation formulation. Once the LEA is established, these capacities are expected to be transferred from the MoEGYA to the LEA. The Ministry and LEA will continue to take initiatives to adjust the NEAP, environment policy and environmental legislation to match up with the changing realities on the ground. *The program proposed in this PSD aims to further strengthen the technical capacities of the LEA and MoEGYA in policy formulation, as well as in regulatory and enforcement aspects.*

3.1.2 Institutional Capacity

At the institutional front, the LEA has to play an important role of a national regulatory agency. In this capacity, it is required to work with the government institutions, corporate and industrial sector so as to: set policy guidelines; adjust regulations; prescribe standards; and provide information on clean technologies, sources of funding and assistance, and access to markets for environment friendly products. On the other hand, the MoEGYA in the capacity of technical support agency, will create conditions for sustaining the livelihoods in rural and urban economies. This would entail community organization and mobilization efforts in order to empower the local communities to protect their natural resource base. It will also undertake and promote research on issues related to environment-health nexus, and building a strong constituency around the protection of human health. The MoEGYA do possess certain capacities in these aspects--but these capacities appear to be well short of those required to deliver a comprehensive national program such as elaborated in section 2 above. *One of the key features of the capacity building program proposed in this PSD is to strengthen the institutional and technical capabilities of LEA in strategic environmental planning.*

3.1.3 Human Resources and Technological Capacities

Part of the environmental related programs and projects in Lesotho have been implemented with the help of international agencies and NGOs. This reliance on external resources was partly due to lack of trained human resources in the country. The technological capacities in terms of availability of modern equipment to support the technical functions were also limited. In recent years, however, there had been more awareness and recognition to develop and strengthen such capacities. To ensure long-term sustainability of the environment related projects, the program proposed herein gives due recognition to such needs. Building and strengthening such capacities require comprehensive analysis of the current situation in terms of national expertise and equipment available vis-à-vis what is needed and for what purpose, especially with respect to implementation of NEAP agenda. *The program proposed herein after due assessment will propose a comprehensive program to bridge the human resources and technological capacity building gaps of various institutions involved in the program implementation.* A very well targeted training program consisting of a wide range of training modules will be developed and implemented to strengthen the technical capabilities of the staff associated with program implementation.

3.1.4 Financial Capacity

The preceding sections outlined different types of capacities to attain and sustain the impact of national environmental management agenda. However, these capacities will not bring about desired results unless adequate funds are made available to execute the national program. Financial requirements for NEAP are not explicitly available, but presumably these could be considered quite high. The Government, however, in the past has demonstrated its commitment by allocating significant amount of funds to environment management projects--especially those targeted at employment generation and poverty alleviation. With environmental challenges becoming more pronounced, funding requirements are also going to increase. Towards this end, the Government's resource mobilization efforts will have to focus on building partnerships with the private sector and international donor agencies.

3.2 Support Capacities

3.2.1 Implementation Arrangements for NEAP

Within the Government, most line ministries have some form of environmental related responsibilities and functions. However, the implementation, management and coordination of NEAP will be the responsibility of the MoEGYA (for the time being) and LEA (once it is established). Until a few years ago, the NES was staffed only with a Secretary General, two Principal Environment Officers, two Senior Environment Officers, and some support staff. Assistance and support to NES was provided under the auspices of UNDP project: LES/93/013 in the form of an expatriate Technical Adviser and a few UNVs. This support allowed the decentralization of technical services to the district level. However, since the beginning of 2000 all technical services have been nationalized, due partly to budget cuts and also because of perceived competency of the national staff contingent. *Available capacities at the level of Department of Environment/MoEGYA in terms of professional staff are limited as compared to what is needed to translate the NEAP into reality.* Further technical and material support will be required, as well as continued staff commitment and political will. A strategic institutional development plan is essential to secure basis for successful implementation of NEAP, with due considerations to both horizontal and vertical linkages. The horizontal linkages require functional environmental units in the line ministries and other Government agencies for coordinating, planning and implementation of environmental related interventions. The vertical linkages should provide basis for implementation of projects at district (field) level, and be able to provide the feed back for fine-tuning of the national level planning process. The NEAP will be subject to continuous adjustments in the years to come as a result of change or shift in the global thinking, as well as based on the experiences gained from the implementation of decentralized environment action plans. By the same token, capacity building within the MoEGYA/LEA should be viewed as a continuous exercise.

3.2.2 Monitoring, Evaluation and Information Management

A lot of information dealing with various aspects of program planning, management, and monitoring is expected to be generated and likely to flow across between various institutions. To be able to make best use of the results generated under the program, and to draw useful lessons for future planning, it is extremely important that this information is efficiently managed. For this purpose, a Management Information System (MIS) is

needed. Although such a system is not in place--but necessary elements on which such a system could be build upon do exist within the MoEGYA. This PSD will further assist the Ministry and LEA in setting-up such a system at different levels of hierarchy so as to ensure that information on inputs and achievements with respect to key performance indicators become available to top managers on regular basis.

3.2.3 Budgetary and Audit Capacity

This PSD will contribute about \$2.572 million to support various components of this program over a period of three years (late 2001-2004). The accounting and auditing rules of MoEGYA shall continue to follow standard Government procedures for the management of regular government budget. However, under the NEX modality, the UNDP financial management rules call for an annual external auditing of funds. The budgeting and accounting capacities are reasonably well established in terms of human resources, since MoEGYA has already been involved in the implementation of UNDP funded programs and projects over the last five years or so. The proposed program provide additional opportunities to continue strengthening these capacities further, especially in relation to financial management under NEX modality.

SECTION II STRATEGY AND OBJECTIVES OF UNDP SUPPORT

4. POLICY FRAMEWORK

This section starts with an overview of the GOL plans and policies that forms the building blocks of the UNDP assistance strategy. This is followed by an overview of the UNDP strategy and objectives with respect to its development assistance as reflected in its current Country Cooperation Framework (CCF).

4.1 GOL Plans and Policies

The Ministry of Finance and Planning at the national level is responsible for the preparation of development plans and allocation of resources, in consultations with the line ministries. The Ministry of Environment, Gender, and Youth Affairs (MoEGYA) is responsible for the development of policies and programs for the environment sector. Since poverty alleviation encompasses a large domain, many line ministries and departments automatically becomes involved in the implementation of activities related to poverty alleviation. The present poverty alleviation strategy for good reasons has treated poverty in a more holistic manner and made it possible for several line ministries and departments (such as health, education, municipalities, agriculture, and local affairs etc) to target poverty alleviation agenda in an integrated and coordinated manner. Implementation of program activities will be impacted by three broader frameworks of the GOL, namely, National Development Plan and Strategies, Poverty Reduction Strategy, National Environment Action Plan and National Environment Legislation. Salient features of these frameworks have already been discussed in Section 2.0.

4.2 UNDP Policies

The policy framework formulated by the UNDP Administrator in early 2000 as "The Way Forward: The Administrator's Business Plan, 2000-2003" provides an overall framework of UNDP's working modality in the future. The emphasis is on policy driven programs to provide high-quality advice to program countries for Sustainable Human Development (SHD); Results-Based Management (RBM) at the project, program and country level to document impact of UNDP assistance and partnership to avoid duplication of efforts and mobilization of resources for UNDP programs from donors, governments, private sectors, etc. The UNDP Country Office in Lesotho has committed itself to contribute to the Administrator's Business Plan by developing projects or modifying design of on-going projects so as to have elements of policy, partnership, resource mobilization and RBM as their core activities. The present PSD is developed around these elements.

4.3 Country Cooperation Framework (CCF) for Lesotho

The second CCF for Lesotho (2002-2004) has been recently finalized. The CCF has been prepared in coordination with the on-going Government initiatives for preparation of a Vision 2020 and a Poverty Reduction Strategy Paper (PRSP). In addition, the proposed strategy for UNDP interventions is guided by the July 2000 United Nations Common Country Assessment (CCA) and December 2000 United Nations Development Assistance Framework (UNDAF).

The first CCF was divided into three thematic areas covering: (i) enhanced governance and capacity development for economic management and civil service reform; (ii) human resources development and employment creation; and (iii) rural development and environment management. Under the last thematic area, the UNDP maintained its position as the Government's lead partner through several strategic interventions aimed at building national capacities and implementation of Agenda 21. During the first CCF, over half of the country office's core resources were allocated for environment related projects and programs. Some of the most important interventions included: strengthening institutional capacities of NES; preparation of environmental legislation; formulation of environment policy; action plans for biodiversity conservation; and training of over two thousand youth in environmental rehabilitation and income generation.

The second CCF includes the following thematic areas: *poverty reduction* which will also include a separate new component to support effective implementation of the Government's strategy to combat the HIV/AIDS pandemic; *good governance* which will include a mix of extended and new interventions to support the democratization process; and *environment* in view of the profound environmental problems which continue to plague the country. Based on the results achieved during the first CCF, the Government has renewed its commitment to improve the livelihoods of the people at large through improved environmental management. The Government's vision on this front is fully shared by the UNDP and other partners. Accordingly, most of the initiatives undertaken during the first CCF will be continued in one form or the other during the second CCF period. This PSD will provide a flexible response to the emerging environmental needs of the country. It is closely linked with the current CCF and shall address new dimensions of SHD, which have not been covered by the on-going or previous projects/program.

5. STRATEGY FOR USE OF UNDP RESOURCES

5.1 Specific Capacities to be Targeted for UNDP Support

In line with the overall UNDP Policy Framework (Section 4.2.) and CCF for Lesotho (Section 4.3), the UNDP technical assistance program places great emphasis on enhancement of national self-reliance through the development of human resources and institutional capacity to manage the process of national socio-economic development. Accordingly, the strategy for optimal use of UNDP resources to support activities proposed in this document essentially stems from the fact that the Government has declared *sustainable environmental management* as one of the key priorities in the national development agenda. Assistance in this area, *inter-alia*, is imperative if the national goal of poverty alleviation is to be achieved. The poverty-environment nexus described in Section 1.1 illustrates how poverty effects environment and vice-versa. The UNDP assistance thus will specifically be targeted towards improving the natural resources conservation and environmental management through: (i) strengthening the technical capacities of national staff; (ii) improving the performance of national institutions; (iii) promoting better governance and monitoring; and (iv) implementing a series of studies and projects targeted to achieve specific program objectives.

The Government has requested UNDP support because of: (i) its competence and long experience in providing technical assistance to developing countries, in particular in the environmental health sector and in the promotion of efforts towards sustainable human

resources development; (ii) its capacity to draw upon the resources and international experience of the UN specialised agencies; (iii) the trust placed by the donors' community in its ability to manage efficiently multi-donor and multi-sectoral technical assistance programs; (iv) its ability to secure the collaboration of other bi-lateral and multi-lateral donors addressing the same development issues, on a cost-sharing basis; and (v) its emphasis on national ownership meaning closely associating national personnel and expertise at all stages of program design, formulation and implementation (under the NEX modality).

5.2 Points of Entry for the UNDP Support

The constantly deteriorating environmental conditions and rapidly depleting natural resources (land) are rightly perceived as major issues of concern by the Government. The seriousness of these issues, as documented in Section 1, would defeat the objective of socio-economic development, if adequate measures are not designed and put into effect at the earliest. Therefore, the present situation calls for immediate actions leading to conservation and protection of natural resources, improved environmental health conditions, and thus contributing to socio-economic well being of the larger segments of the society. The design and implementation of management measures require a good understanding of the issues that fall within the domain of poverty-environment nexus. For this purpose, the MoEGYA/LEA will have to assume lead responsibility in co-operation with all relevant partners at national, district and local levels. Within the context of present program, major target groups around which UNDP support will be focused are: youth groups, local communities, MOEGYA, LEA, municipal and urban authorities, district administrations, and private sector entities.

Thus, the main point of entry for UNDP and other donors would be to strengthen and consolidate the institutional and technical capacities of various departments of the MoEGYA/LEA and district administrations. In this context, the sole objective of donors' assistance should be to turn these into institutions fully capable of preserving the natural resources base and protecting the environment, without external assistance, except for occasional advanced technology. A full capacity includes the qualified staff, the appropriate equipment and logistics, adequate institutional arrangements, and sufficient budgetary resources for O&M and for research and studies. Training of national staff in technical and social aspects related to natural resources and environmental management through short-term tailor made courses would be the key element of the capacity building efforts. This would also include a program of strengthening the managerial capabilities of the senior staff through short-term advanced management courses.

Another important point of entry for the UNDP will be to assist the local communities in strengthening their technical capacities in economic development planning--that will include identification of development projects in different social and economic sectors. This entry point has been translated into a separate project. The MoEGYA has already taken initiatives to prepare the NEAP and environment policy. The environmental legislation is being reviewed and adjusted to accommodate new provisions. The UNDP, together with its national and international partners, can provide technical assistance and support in translating these strategies into action plans because of its ability to act in an unbiased manner in the whole "upstream" area of policy formulation and analysis. Interface between upstream decision makers and local communities is imperative to ensure successful implementation of these strategies and plans at the local or regional levels.

5.3 Program Support Components (PSCs)

Potential points of entry for the UNDP support outlined in the preceding section led to the formulation of following 10 specific areas of intervention clustered into three programs support components.

Strategic Environmental Planning

- Policy Planning and Co-ordination
- Environmental Accounting and Monitoring
- Expansion of Knowledge Base

Sustainable Livelihoods

- Land Rehabilitation
- Social Forestry Systems
- Urban Cleaning up
- Material Recycling
- HIV/AIDS Prevention/Reduction

Environmental Management

- Pollution Control
- Protection of Wetlands

In other words, these components are those specific areas in which UNDP together with other donors will provide assistance to the GOL within the framework of this PSD over the next three years (2001-2004). The aim of this support is to assist the GOL in addressing the issues outlined in Section 1, and to complement the efforts already underway to implement various elements of the NEAP. It may be noted that the intervention regarding HIV/AIDS prevention/reduction mentioned under sustainable livelihoods component will be executed as an independent project. But it is mentioned here because of its strong linkages with other elements of the component especially dealing with the income generating activities (see section 7.5 for inter-linkages).

5.4 Justification for Different Programme Support Components

This section provides technical justification for selecting each program support component, and highlight the main objectives to be achieved through the interventions proposed in this PSD. More detailed documentation of the program support objectives, outputs to be realized, and activities to be undertaken to achieve these outputs and objectives is provided in Sections 6 and 11.

5.4.1 PSC 1: Strategic Environmental Planning

Sound environmental planning and management is critical to sustainable development, and as a consequence, to poverty reduction. Growth will be short-lived if it does not conserve the natural environment and its resources. This component will focus on bringing policy change to conserve environment and combat poverty as well as promoting inter-ministerial coordination to influence the national planning process. Environmental education, accounting, monitoring, regular publication of the state of

environment report, and raising public awareness will be the other main features of this component to bring an attitudinal change.

Policy Planning and Coordination: The MoEGYA/LEA is expected to assume greater responsibilities with respect to environmental policy and strategy formulation. Moreover, there is a strong need to coordinate these functions at the central and local levels. For the twin goals of environmental improvement and poverty reduction to be met, greater proactive management of the economy-environment interface is needed than the case under existing policy approaches. However, the capacity to respond positively to new market and public pressures for environmental improvement within the Ministry remains weak. Also, there remains significant capacity gaps to formulate judicious policies and strategies and to transform these into action plans. This intervention intends to provide assistance in establishing an environmental policy analysis unit within the Ministry/LEA for policy research and advocacy.

Environmental Accounting and Monitoring: Development efforts of the past were also accompanied by degradation of the environment. However, there is no regular system of assessing the rate of environmental degradation and its financial magnitude due to lack of information and data. Not only that in the absence of such information and data sound environmental management policies can't be formulated, the countries usually fell into fallacies of overestimating the economic performance. This intervention aims to facilitate the highest level decision making by providing an objective analysis of the country's state of environment and its impacts on different sectors of the economy. This will be achieved by setting up a three tiers environmental accounting and monitoring system (EAMS) that will consist of: (i) information system; (ii) decision support system; and (iii) coordination and reporting system. The proposed system will help in producing annual State of the Environment Report that will: (i) provide major insights to the human development indices and conditions of poverty in the country; (ii) help in better understanding of the nature and extend of natural resources depletion and their impact on social and economic development; and (iii) lead to the formulation of judicious environment and natural resources management policies.

Expansion of Knowledge Base: Environmental awareness in recent years has grown considerably in certain segments of the society. However, large population (especially women and children) still remains uneducated about the sources of pollution and the environmental health risks associated with different types of pollution. The society at large cannot achieve the objective of poverty reduction without first providing widespread basic education and health services. Education helps to empower the poor, to enhance their income-earning potential, and to improve the quality of their lives. Without basic skills and knowledge, the poor lack the tools essential for breaking the poverty cycle. Thus, there is a need to expand the environmental knowledge base as means to secure basis for sustainable environmental and natural resources management. This component will assist in launching large-scale public awareness campaigns, as well as in introducing environmental educational material in schools, colleges and universities, using the information generated through the environment monitoring system. In this effort, this component will work closely with the DANCED project that also aims to promote environmental education and public awareness.

5.4.2 PSC 2: Sustainable Livelihoods

The broad goal of poverty eradication is to develop individual, family and community capacities to improve their livelihood systems. The livelihood systems comprise a complex and diverse set of economic, social and physical strategies. This approach puts people at the center, and not the economic sectors or activities. The main theme behind this component is to engage the youth population of the society in a series of income generating activities in a manner that they are able to contribute towards poverty alleviation through natural resources management. This idea received great success over the last 5-6 years, and hence there is full justification to continue it. Accordingly, this component is designed to sustain the livelihoods of poor youth through natural resources management and environment rehabilitation. The principles around which this component is developed include: employ the youth; improve their access to resources; help them in managing the resources; and assist them in understanding the complexities of the marketing system etc. Four income generating options proposed under this component include: land rehabilitation, social forestry systems, urban cleaning up, and material recycling. As mentioned earlier, main thrust of the HIV/AIDS prevention/reduction project is also to engage the youth in income generating activities.

Land Rehabilitation: As mentioned in Section 1, land erosion is one of the major environmental hazard being faced by the country. About 100,000 ha of land has been lost over the last decade through erosion, improper land use practices and urban sprawl. The fertile top soil is being lost and the remaining land is now fragile and subject to heavy erosion. In other words, soil erosion is causing efficiency losses in terms of static or declining productivity for several traditional food crops. This is happening at a time when the demand for food is on the rise. In addition, soil erosion has also been responsible for the silting of rivers and dams, pollution of water sources and damage to local ecosystems. The proposed intervention has the objective of bringing together the unemployed youth and degraded lands to transform this combination into sustainable livelihood systems. This project will make meaningful contributions towards poverty alleviation because otherwise unemployed youth would engage in gainful employment, while soil loss, the silting of river beds and reservoirs, the destruction of rural roads, pollution of water sources and depletion of natural resources would be reduced.

Social Forestry Systems: In Lesotho, traditional fuels meet 76% of the energy demand of the country. The rural people depend wood-fuel, shrubs, crops residue and dung for their household energy requirements. This dependence on traditional fuels removes the little tree cover and exposes the land to further degradation. The over-reliance and over-exploitation of forest resources is particularly severe among poor households, as a result of their limited access to productive land, low agricultural productivity, limited off-farm employment, and underdeveloped human capital. The proposed intervention aims to engage local communities led by poor youth to develop forest resources in poor areas on a sustainable and participatory basis to support poverty reduction, forestry development, and improved environmental. Poverty reduction being the key objective of this PSD, main focus of this intervention will be to: (i) target the poor communities (especially the youth) and townships; (ii) select sites and beneficiary groups based on detailed social assessment and community participation; and (iii) ensure that poor households receive a diversified income stream over the short, medium, and long term.

Urban Cleaning Up: Last many years have witnessed increasing migration from rural to urban areas. This large rural influx has, in turn, contributed to the overburdening of urban infrastructure and urban services. There has not only been a rapid decline in the quality and availability of basic urban resources and amenities, the municipal institutions do not have sufficient resources and technical capacity to accommodate the needs of increasing urban population. At the same time, need for improved services is growing fast with income and population increases, particularly as the urban growth consists largely of incorporation of rural fringes of the cities and of low-income immigrants from rural areas. Assistance under this intervention will be targeted to cleaning-up of urban centers using participatory approaches as well as to strengthen the technical capacities of municipal administrations for improving health, sanitation, education, shelter, employment and income generation of the poor.

Material Recycling: This intervention is another derivative of the urban cleaning up, but it will specifically focus on collection of paper, aluminum cans, glass bottles, plastic containers, scrap metal, used tires and old engine oil. During the previous project phase, unemployed youth were engaged in this activity--thus enabling them to earn income and cleaning up the environment. The experience has shown that such proposals can make meaningful contributions towards achieving the twin objectives of poverty alleviation and environment improvement. In view of the experiences gained, it is felt that this proposal require further fine tuning both in terms of scope and coverage. For example: more market linkages for disposal of different types of recycling material need to be explored. In summary, this intervention aims to capitalize on the initiatives taken in the recent past.

Preventing the Spread of HIV/AIDS: The objective of this intervention is to improve access to income for girls and youth in the pilot districts of Mokhotlong and Maseru, with a view to stimulating production, increasing employment and reducing household poverty. Towards this aim, a separate project document has been prepared, outlining detailed strategies for supporting income generating activities for adolescent girls and the youth through micro credit lending. The proposed micro credit scheme will be built upon the existing NEYC infrastructure and its previous experiences. The sub-objective of the project is to increase the level of awareness and understanding of HIV/AIDS among girls and youth. Although this project has its own independent budget and implementation arrangements—it shares a common vision with the present program. That is, poverty alleviation by sustaining livelihoods through promoting income generating activities, creating employment opportunities and raising public awareness. Not only that both projects share some common activities, both will be implemented under the umbrella of NEYC. That's why, using the opportunities provided by the *program approach*, this project is considered as an integral part of the present program.

5.4.3 PSC 3: Environment Management

Review of current situation tends to confirm that the urban environment is degrading very rapidly because provision of basic services has not been able to kept pace with the population growth in general and urban growth and development in particular. Only a fraction of solid waste is collected and disposed. Water and sewage facilities in main towns are of very rudimentary nature. Water pollution is believed to be very common. All these factors pose a major threat to human health. On top of this the health facilities are very limited. There is a need to systematically integrate the environmental concerns in the urban and economic development plans. This makes urban environment management

among the most important priorities established under the national development agenda. By the same token, it stands high on donors technical assistance agenda. Principal element of this component is pollution control with an objective to contribute towards improving the overall urban environmental health conditions. For administrative ease, protection of wetlands is also included in this component with an objective to contribute towards biodiversity conservation.

Pollution Control: Urban and industrial development, though limited when compared to other countries of similar size and development, have started to place stress on environment. The identified sources include emissions from vehicles, dust from gravel roads, the disposal of solid wastes from industries and households, and the use of fossil and biomass fuels. They affect resources bacteriological contamination of nitrates in piped water. Similarly, the industrial activities generate a variety of waste and effluents because it is often released to the environment without proper treatment. Waste disposal sites result in contamination of water resources. A recent survey has shown that inadequate protection or treatment of water effluent expose communities to outbreaks of intestinal diseases. The urban water supplies are reported to contain high levels coliform. However, sufficient information and data are not available on the nature and extent of air and water pollution. It makes environmental health planning task more difficult. This intervention aims to initiate activities in this direction.

Protection of Wetlands: Wetlands are common in the highlands of Lesotho. These wetlands ecosystems can play a crucial role in the hydrological cycle, in particular, through their retention and slow release of water, as well as in conserving the biological diversity. Moreover, they can effectively contribute in stabilizing stream flow, reduce sedimentation loads and absorption of nutrients. However, about 62% of the wetlands in Maloti/Drakensberg--the highest mountain range in the country--are in very poor conditions. These wetlands have received little attention mainly because of lack of awareness of their ecological value. This intervention aims to initiate planning work towards protecting Lesotho's wetlands and conserving their biological diversity.

5.5 UNDP Role in Supporting the PSD

The program described in the preceding section was an exercise that had essentially been developed on partnership basis between the Government of Lesotho and the UNDP. The UNDP in addition to providing its own resources, will have to play an important role in mobilizing resources from other donor agencies. The UNDP role will be to: (i) ensure that resources made available by different donors are targeted to those specific activities for which these have been made available; (ii) monitor the disbursement and utilization of donors resources; (iii) negotiate co-financing arrangements with the donors; and (iv) provide support services to the national implementing agencies within the framework of NEX modality.

5.6 Sustaining Program Impact

The proposed program includes a wide range of interventions defined in terms of various interventions projects and measures to address factors and issues underlying the poverty-environment nexus. The following paragraphs examine the impact of these interventions from the sustainability perspective.

5.6.1 Economic Sustainability: From the economic sustainability point of view, the major source of concern is to capture the value of natural resources that is lost annually due to environmental degradation. As a result of continuous depletion of the land resources, ecosystems had become increasingly vulnerable to degradation--thus not being able to sustain the human and livestock population dependent upon them. Implementation of the proposals advocated in this document are essential to reverse these trends. Subsequently, continuation of different elements of the program are also imperative to sustain the program impact in years to come. After program's duration, the Government and district administrations must continue to make the same budgetary resources (in real terms) available to different environmental management options as would be made available to these projects during the program life.

5.6.2 Environmental Sustainability: Degradation of land resources, deforestation and industrial and urban pollution are the major environmental hazards that the country is facing within the context of poverty-environment nexus. The environmental impact of the program proposed herein is expected to be positive since it aims to reverse the natural resources exploitation trends, combat pollution and improve environmental health conditions. Presently, the DOE/MoEGYA is responsible for advising the Government to maintain the quality of the environment, including the establishment and enforcement of NEQS. This responsibility will ultimately be undertaken by the LEA. The PSD will assist the Government in creating conducive conditions through improved institutional and public awareness means in which strict enforcement of laws and standards is possible.

5.6.3 Technical Sustainability: The capacity building program proposed herein is designed to turn various institutions involved in the implementation of proposed activities fully operational both in terms of technical and managerial capabilities. On the technical side, a significant portion of the program resources would be devoted to research and development activities such as planning and execution of various studies, implementation of pilot projects and action plans, and establishment of environmental accounting and monitoring system etc. Also, considerable efforts will be directed towards human resources development through an extensive training plan. As a result, at the completion of the program, the target institutions would be able to meet their mandates with respect to environment and natural resources management--thus ensuring that the program is technologically sustainable.

5.6.4 Institutional Sustainability: Institutional sustainability to a large extent is linked to the fact that as to what extent various implementing agencies, especially the MoEGYA, will be able to perform their functions and mandates. Performance of their managerial and technical staff, as well as the financial resources made available to these institutions to carry out their functions, are also crucial to their sustainability. High performance of managerial and technical staff is expected because these staff have already received extensive on-the-job training during the previous phase of the proposed program. Their capacities will be further strengthened under the previous phase. In addition, some critical management interventions are expected very early in the program life to secure basis for institutional sustainability. These interventions specifically include: (i) establishment of LEA to bring it in line with its strategic goal; (ii) establishment of PMU and making it functional; (iii) coordinating inter-sectoral activities within the framework of national environment policy; and (iv) continuous orchestration of above interventions so that they reinforce each other, even though political and decision making environment may change. With these conditions in place, institutional sustainability is guaranteed to a large extent.

5.6.5 Socio-cultural Sustainability: The crisis stemming from poverty-environment nexus have significantly disrupted the socio-cultural fabric of the large part of the population affected by environmental degradation. Women and children being the most vulnerable groups of the society tend to get affected most by the poor environment conditions. In general, marginalized groups such as women and herd boys have less social power and fewer economic resources and physical capacity to recover from the affects of poor environmental health conditions. The proposed program will provide a better understanding of the local issues and their potential solutions in a number of areas, improving the conditions for decentralized decision making and public participation. The program will prescribe measures that will contribute towards alleviating poverty through improved environment and natural resources management. Better planning tools and decision making criteria will result in efficient allocation of natural resources among alternative uses, thus leading to the maximization of social and economic benefits. The improved environmental health conditions realized as a result of this program will uplift the health situation of women and children relatively more since they suffer most due to poor environmental conditions.

6. PROGRAM SUPPORT OBJECTIVES

6.1 Development Objective

The development objective of this program is to establish vital basis for sustainable human development by targeting poverty reduction through efficient environmental management and improved natural resources conservation.

This program has proposed a wide range of technical, institutional, regulatory, social and economic interventions in terms of different projects grouped under the following three major program support components: (i) strategic environmental planning; (ii) sustainable livelihoods; and (iii) environment management. These components, in addition to pursuing their technical objectives, will strengthen the institutional and technical capacities of relevant GOL institutions for participating in the international conventions/forums and contribute to the implementation of the conventions/treaties on natural resources protection and environmental management. Moreover, the proposed program will promote equal participation of women in project level activities.

6.2 Description of Program Support Objectives

A distinctive feature of this program is that it will be specifically targeted at the youth of Lesotho who are poor and unemployed, with the intention of mobilizing a youth service for environmental rehabilitation. The objective being to organize and direct the energy and enthusiasm of young people into constructive and rewarding activities, both for themselves and for the community at large. It will not only enhance awareness about the wide range of environmental concerns, but will also demonstrate appropriate and practical means of sustaining initiatives started around local self-help and community actions. The broad program support objectives are outlined below. The outputs to be realized to achieve these objectives are described in Section 11.

Program Support Objective 1: Strengthening national capacities in environmental policy implementation, coordination and governance so as to address issues related to poverty-environment nexus in a coordinated and integrated manner. The sub-objectives include:

- To coordinate the environmental policy implementation process at the central, district and local levels.
- To improve the process of environment planning so as to serve rational basis for a higher quality of decision making.
- To expand the environmental knowledge base as a mean of securing basis for environmental and natural resource management.

Program Support Objective 2: Sustaining livelihoods of poor communities with special emphasis on the youth population by promoting activities leading to restoration of environment and regeneration of natural ecosystems. The sub-objectives include:

- To create employment opportunities and improve agricultural productivity by rehabilitating the degraded farm lands.
- To create income generating opportunities leading to improved environmental health conditions.
- To promote participatory approaches for reversing the existing deforestation trends, as well as to improve the income levels of communities, especially the youth population, by introducing afforestation programs and high value cash crops such as mushrooms in selected target areas.

Program Support Objective 3: Improving environmental health conditions by combating urban and industrial pollution and maintaining drinking water quality in accordance with approved standards. The sub-objectives include:

- To promote participatory approaches for improving urban environment.
- To enhance capacity of the LEA and district administrations in combating urban and industrial pollution.
- To prepare a strategic plan for the conservation and protection of biological diversity of global significance in representative wetlands of Lesotho.

7. PROGRAM MANAGEMENT

7.1 Main Elements of the Implementation Strategy

The main intent of the program implementation strategy is to create an enabling *institutional* environment and conducive *technical and social* conditions to secure basis for integrated environment and natural resources management at the local and national levels. Thus the strategy takes into account the specificity of the issues to be addressed, the current institutional setting, and the socio-economic features and constraints facing the country.

General Aspects of the Implementation Strategy

- Provide necessary support *towards* the implementation of GOL's poverty alleviation and environmental management agenda as outlined in the Poverty Reduction Strategy, NEAP, Environment Legislation and Five-Year Development Plan.

- Pursue the realization of program objectives by implementing all program support components in an integrated and coordinated manner--each one making contributions towards poverty alleviation in one way or the other.
- Seek and ensure active involvement and participation of private sector, local communities and NGOs during the implementation process.
- Encourage developing of partnerships and networks with national and international forums.
- Implement Results-Based Management from the very beginning to secure the basis for long-term sustainability of program impacts.
- Rely on national expertise and inputs to deliver program outputs.

Specific Aspects of the Implementation Strategy

- Capitalize to the maximum possible extent on the institutional and technical opportunities and capacities already created under the environmental projects implemented during the first CCF.
- Create tangible mechanisms whereby people can participate directly in creating a more healthy environment, raise morale and respond to local and national environmental problems.
- Enhance opportunities for young people in order to enable them to participate in activities which will increase their skills and improve their prospects of employment through on-the-job training and vocational training.
- Extend the base of young people with basic training in natural resource management and conservation by training them as "trainers", or making them "contact persons" on environmental issues.
- Enhance awareness of the importance of conservation and natural resources management needs at all levels: policy making level, national level and community level.
- Encourage and promote a system of decentralized environment and natural resource management by providing more opportunities at the village level.
- Create sustainable employment and income generation opportunities for young people--male and female--to curtail patterns of rural-urban migration.
- Integrate and coordinate environmental activities into decision making processes at the national and local levels.
- Involve the local communities, parents and the youth in the identification and selection of income generating activities, as well as sensitize them about the mechanisms of the new micro credit scheme and other related factors (risk assessment and community based monitoring etc.).
- Impart training both to the project staff and credit borrowing youth in basic principles of bookkeeping, accounts management, and group organization.
- Expand the membership of the youth groups, continue encouraging more girls to participate in the NEYC, and train them in planning, appraisal and implementation of income generating activities.

7.2 General Implementation Arrangements

Since 1992, following the General Assembly Resolution 47/199 the adoption of the National Execution (NEX) modality has become the norm for projects and programs assisted by the UN system, with due consideration given to the means and capacities

existing in the country. The justification/objectives for the adaptation of this modality are that it: (i) reinforces the sense of national ownership; (ii) expands self reliance; (iii) constitutes to capacity building of national institutions; (iv) enhances sustainability of development projects and programs; and (v) increases cost effectiveness by relying on local talent and minimising the use of costly international experts. *Consistent with the above objectives, the present program is designed to be executed under the NEX modality.*

The *executing agency* for the implementation of this PSD will be the Ministry of Environment, Gender and Youth Affairs. In this capacity, the Ministry will be responsible for the overall management of the implementation of the PSD. Within the Ministry, The Department of Environment will serve as an *implementing agency* for all the three components until the time Lesotho Environment Authority (LEA) is established as stipulated in the Environment Act presently being processed for approval. Once the LEA is established, it will assume the responsibility for the implementation of program support component 1 (strategic environmental planning). The implementing agencies will be responsible for all the operational tasks related to the achievements of the objectives to be pursued under each component of the PSD.

Two types of *co-operating agencies* are anticipated to be involved in the program implementation--national and international. The national co-operating agencies are those which will work hand in hand with the national executing/implementing agency to implement field level technical activities and tasks. These, for example, could be government institutions, private sector, community based organizations, and local NGOs. International agencies in most cases will be the UN specialised agencies which may provide assistance to the government implementing agencies in those specific areas in which available national capacities are not sufficient to meet the program objectives. See Table 1 for potential co-operating agencies.

7.3 Specific Implementation Arrangements

Specific implementation arrangements proposed for the implementation of PSD are somewhat similar to those described in Section 3 for the implementation of NEAP and national environmental policy. The intent is to build upon the existing institutional structure so as to contribute further towards strengthening the institutional framework proposed for the implementation of NEAP and environmental policy. Implementation arrangements for this PSD includes the: (i) establishment of a Program Management and Implementation Unit (PMIU); and (ii) constitution of the Program Implementation Committee (PIC).

Program Management and Implementation Unit (PMIU): The PMIU will provide the technical, logistical and administrative support to the executing/implementing agency in carrying out the planned tasks. In addition, it will be responsible for: (a) reporting on program progress and impact; (b) identifying gaps and bottlenecks; (c) brokering donors support; (d) mobilizing and managing program resources; (e) monitoring and evaluating program performance and impact; overall budget management; and (f) reviewing and validating the continued relevance of the PSD components and approach etc. The purpose is to ensure the effectiveness of the activities being undertaken; efficiency with which they are being implemented; the continued relevance of the proposed actions in an

evolving environment to assess the impact and determine the sustainability of the outputs; and to propose corrective course of actions whenever necessary.

Table 1: Implementing/Cooperating Agencies for Various Components

Program Support Components	National Cooperating Agencies/Agents	Potential Int'l Cooperating Agencies	Level of Action
PSC 1: Strategic Environmental Planning	<i>Lead Implementing Agency: Department of Environment, MOEGYA until the establishment of LEA</i>		
1.1 Policy Planning and Coordination	Ministry of Planning, District Councils	UNEP, UNDESA, IUCN	National, International
1.2 Environmental Accounting and Monitoring	Ministry of Planning, Ministry of Agriculture, Ministry of Local Government, Ministry of Industries, District Councils	UNEP, IUCN, UNDESA	National, District
1.1 Expansion of Knowledge Base	Ministry of Education, Lesotho University & private institutions	DANCED	National, District, Local
PSC 2: Sustainable Livelihoods	<i>Lead Implementing Agency: Department of Environment, MOEGYA</i>		
2.1 Land Rehabilitation	Ministry of Agriculture, District Agriculture Departments, Local Communities	FAO	Local
2.2 Social Forestry Management	Ministry of Agriculture, District Forest Departments, Local Communities		Local
2.3 Urban Cleaning Up	Local Municipality and Urban Authorities, Local Community Groups, NGOs	DANCED, GTZ, WHO	Selected areas in main cities
2.4 Material Recycling	Local Municipality and Urban Authorities, Local Community Groups, NGOs, Private Sector	DANCED, GTZ, WHO	Main cities
2.5 HIV/AIDS Prevention/Reduction	LAPCA, MOH, MOE, LOF, MOC and NGOs	UNFPA, UNICEF, WHO	Local Main cities National
PSC 3: Environmental Management	<i>Lead Implementing Agency: Department of Environment, MOEGYA</i>		
3.1 Pollution Control	Ministry of Industry, Health Department, Local Community Groups, NGOs, Water & Sanitation Departments	UNIDO in Industrial Pollution, UNDESA in water quality monitoring	Main urban towns
3.2 Wetlands Management	District Councils, Tourism Department, Corporate Private Sector, On-going GEF Project	GEF (for potential funding)	District/Local

The proposed program requires very high level of coordination, and within this context, needs to be linked to the upstream level decision making structure in the Government. Therefore, it is proposed that Director of Environment may be designated as the National Program Director (NPD) to lead the program. He/She will be facilitated in his/her functions by the National Program Manager to be hired under the program. The PMIU will ensure a continuous flow of information between the NPD, core technical staff, team leaders, and external partners. Three specialised teams will be established under the PMIU to provide technical support to each program support component (see Figure 1). The teams will be headed by qualified national professionals recruited nationally under the program. In addition, the teams will consist of counterpart staff assigned by the national executing/implementing agencies. Staffing gaps in areas with limited national capacities will be bridged through the international expertise.

Program Implementation Committee (PIC): Integrated environment and natural resources management can best achieve its objectives in a multi-sectoral development framework. This requires participation of leading institutional stakeholders in prioritizing the environmental agenda in line with the national development objectives and priorities. For this purpose, it is proposed that a PIC may be established to: (a) provide vision for long-term poverty alleviation and sustainable environmental management agenda; (b) improve the quality of decision making, sector efficiency and managerial performance in the planning and implementation of poverty/environment related programs and projects; (c) ensure inter-ministerial coordination to realize program objectives; and (d) mobilize further technical and financial assistance.

This Committee will not be involved in the routine day to day program management operations; instead its role will be to monitor program progress and provide policy advise and guidance to the PMIU in achieving program objectives. This committee is proposed to be headed by the Principal Secretary, Ministry of Planning. The membership may include Principal Secretaries of the Ministries of Agriculture, Local Government, Natural Resources, Industry, and Resident representative of UNDP. The PMIU is proposed to serve as secretariat to the PIC to facilitate its operations and functions, with NPD as the Secretary to the PIC. It is proposed that the committee should meet twice a year.

External Technical Co-operation Agencies: Consistent with the UN mandate, under the NEX modality, efforts will be made to utilize the national capacities to the maximum possible extent to deliver major part of program inputs. However, in cases where national capacities are limited, it is recommended that the implementing agencies may call upon the UN specialized agencies, international NGOs and similar other organizations to provide technical assistance and backstopping. These agencies are identified in Table 1.

7.4 Staffing of PMIU

The PMIU will consist of two types of staff: (i) staff hired on contract basis using the program funds; and (ii) staff assigned by the national executing/implementing agencies. Staffing requirements are given in Table 2. The program staff will have to play lead role not only in implementing the planned tasks but also to strengthen the technical capacities of the counterpart staff assigned to work with them. Therefore, it is extremely important that these staff possess a very high level of professional competence.

Figure 1: Organizational/Implementation Arrangements

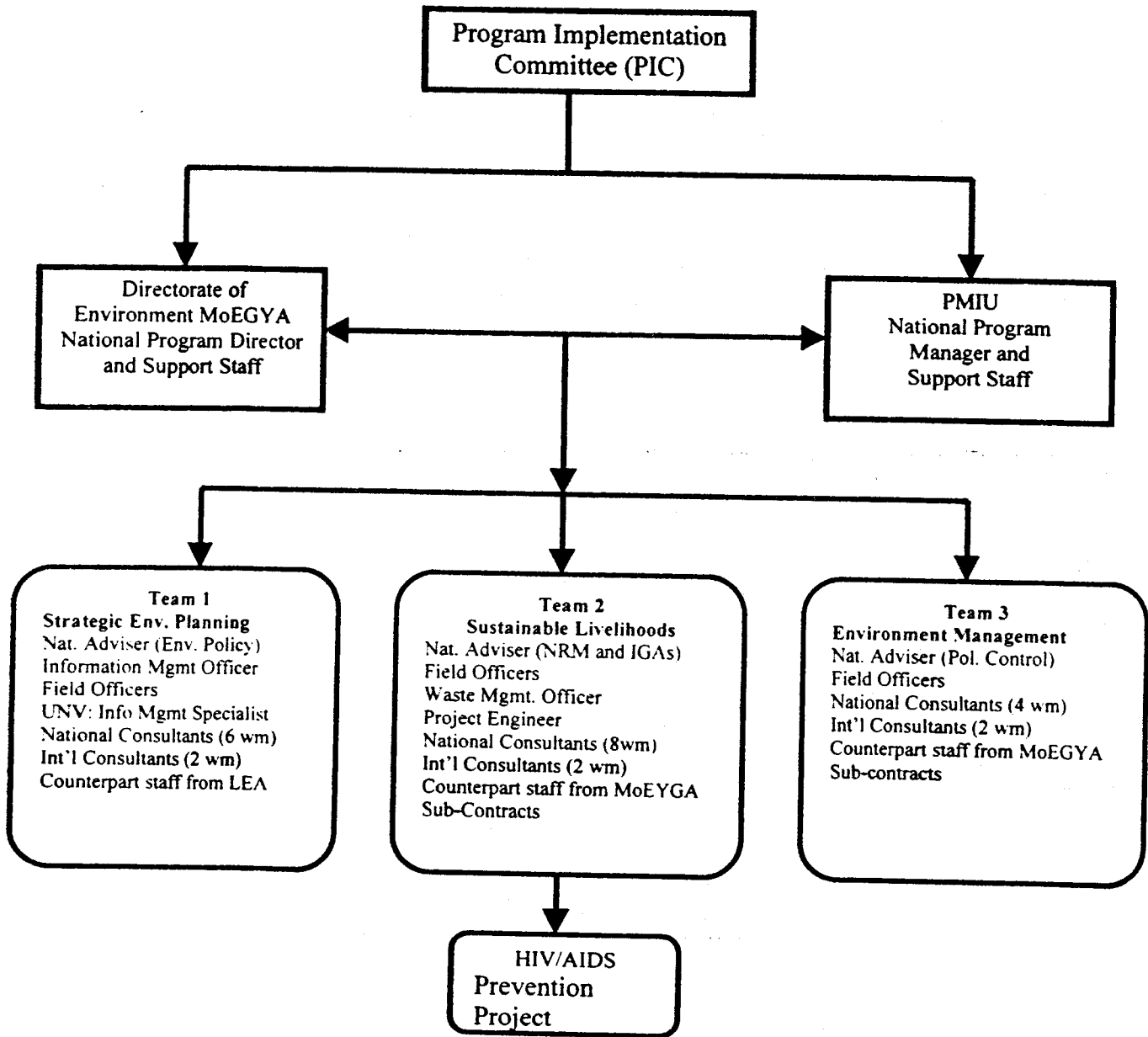


Table 2: Staffing Requirements for the Program

Program Posts	WM
National Program Manger (NPM)	36
National Adviser: Environmental Policy (PSC.1)	30
National Adviser: Natural Resources Management (PSC.2) (Income Generating Officer)	30
National Adviser: Pollution Control (PSC.3)	30
Information Officer (PSC.1)	24
Waste Management Officer (PSC.2)	24
Project Engineer (PSC.3)	24
10 Field Officers (one for each District)	360
National Consultants (9 focus areas x 2 month in 3 year)	18
International Consultants (3 PSCs x 1 month in 2 years)	06
UNV: Environmental Information Management Expert	24
Admin/Accounts Officer	36
Secretary	36
Drivers: 5 (to be recruited gradually over project life)	150

This could very well be ensured by employing transparent and competitive recruitment procedures. To facilitate this process, it is proposed that selection of all staff should be processed through a joint selection committee consisting of representatives from the UNDP and the national executing agency. The standard UNDP procedures will be followed for staff recruitment. TOR for the core staff positions (NPM, national advisers who will serve as the team leaders for three program support components, and UNV Information management expert) are provided in Annex 1.

The staffing requirements shown in Table 2 are those to be funded from the program budget. In order to ensure continued capacity building of the LEA staff, it is important that the implementing agencies place core staff at the disposal of the PMIU. In addition to the National Program Director (NPD), a number of professionals should be assigned to work as counterpart staff to the program staff. In order to ensure smooth implementation of the program, the Government is expected to assign at least a team of 2-3 staff to work with each program support component at the headquarters level. These staff will serve as focal points for the activities to be undertaken under PSC, and will ensure coordination with the district level administrative infrastructure for implementation of planned activities at the field level. During the previous phases, the Government was not able to assign the counterpart staff to the project in required number which hindered project progress in many ways. Therefore, in order to sustain program impacts over the long-run it is crucial that same mistake is not repeated again. In order to sustain program impacts over the long-run, it is extremely important that the technical staff hired under the program (especially the field officers) are absorbed by the Ministry. This was something anticipated during the previous phases of this program, but never materialized.

7.5 Co-ordination with Other Programs and Projects

The evolution of UNDP's own conceptual framework for its support operations has caused a shift from the *project* support mode to a *program* support mode. This later approach, *inter-alia*, provides an opportunity and framework to link the intended UNDP assistance to the on-going and planned interventions in the sector with an objective to

complement the on-going efforts in realizing the national development goals and objectives. Accordingly, the present program will have to establish effective coordination mechanisms with the following programs/projects: (a) poverty alleviation program; (b) empowering communities in development planning (a sub-program of the PSD on poverty); (c) combating HIV/AIDS program; (d) ZERI project; (e) DANCED project; and (f) GEF project on conservation of biological diversity.

If viewed in a broader national development framework, the ultimate goal of these programs/projects and the program proposed in this PSD is the same--poverty alleviation. This alone provides sufficient justification and rationale to establish strong interface between these programs/projects and the present PSD. However, the strategy and means employed by these programs to reach at the ultimate goal of poverty alleviation are different. Some of these programs focus mainly on making macro level interventions, while others aim to work at the grass root level--ensuring that communities are empowered to shape their future. Whereas, the program proposed herein prescribes very specific social and policy interventions to improve the environmental conditions leading to reduction in poverty indices. For example, the PSC 1 will improve the quality of decision making and raise general awareness. The activities to be undertaken under PSC 2 will serve as sustainable means of generating income for the unemployed youth. The PSC 3 will result in improved environmental health conditions for the poor people who are hard hit by the poverty.

Community based structures to be established under the community empowerment program could prove to be instrumental in: (i) the preparation of environmental action plans at the district level; (ii) the identification and social monitoring of income generating activities to be implemented under the PSC 2 of this program; (iii) raising the environmental awareness among general population (PSC 1); and (iv) sensitization of local communities, parents, and the youth about the mechanisms of the new micro credit scheme and other related factors (i.e., risk assessment and community-based monitoring) under the HIV/AIDS reduction/prevention project. Similarly, public awareness and education efforts to be undertaken under PSC 1 will greatly draw upon the experiences gained under the DANCED project. In this regard, an effort will be made to coordinate the implementation of relevant activities of both projects in a mutually supporting manner to maximize the social benefits from these interventions.

One of the most important lessons learned from the projects implemented under the first CCF was that future programs within a given cluster should envisage support ranging from upstream level policy advise to implementation of concrete activities at the grass root level so that actions are directly derived from the policy. Formulation of this PSD has been strongly led by this recommendation. The first component of this PSD deals with upstream level policy formulation for environment planning, while the interventions proposed under remaining two components reflect community based actions for environment management and poverty alleviation. Similarly, the intervention proposed for wetlands protection will have strong relevance to the biodiversity conservation project. In addition, this PSD will ensure inter-sectoral coordination at the central level to avoid duplication of efforts.

7.6 Technical Backstopping

As repeatedly emphasized in this document, the proposed program will be implemented utilizing the national expertise and resources to the maximum possible extent. However,

complexity of the proposed program stemming from its multi-sectoral context underscores the need for providing continuous technical advise and backstopping not only to the national executing/implementing agency but to the UNDP/funding agencies as well. Moreover, it is equally important to benefit from the global experience with respect to different technical and institutional aspects as they relate to the interventions proposed under various program support components.

8. MONITORING AND EVALUATION

The ultimate responsibility for monitoring of the proposed program lies with the Government of Lesotho as part of its fundamental responsibility to execute its own program. The monitoring system will respond to the specificity of each sub-program, its components and the outputs to be produced. The monitoring functions will be assured through the PMIU. At a higher level, the PIC will meet on quarterly basis to review: (i) if the program implementation is moving ahead smoothly according to the plan of work; and (ii) adequacy of inputs provided by the GOL/UNDP. To the extent possible, the UNDP, MoEGYA and other development partners will carry out joint field visits in order to promote a participatory approach to the discussion of issues with stakeholders and target groups.

A Management Information System (MIS) will be put in place based on the reporting system which will ensure a smooth flow of information relating to the implementation of various activities to the managers at different levels of the hierarchy. In this context, the information related to performance of participating agents will flow on quarterly basis in the form of progress reports prepared by the PMIU. The PMIU will also compile the progress reports into an Annual Program Report (APR). This report will describe the achievement of benchmarks on the time scale, and specify the actions required by the concerned parties in order to achieve the next set of targets and, if necessary, will make substantive recommendations about the orientation of the program.

The proposed program will be reviewed and evaluated at least at two levels. The *first level* of review and evaluation process calls for continuous monitoring of the performance indicators established for various outputs planned under different program support components (see Table 3). These indicators suggest the target dates for the tasks to be completed. The *second level* of review calls for more intensive evaluation of the program on an annual basis in the form of Tripartite Review (TPR) meetings. This meeting will take place at the end of each program year, to allow time for the revision of work plans, and the incorporation of agreed changes into the budget for the coming financial year. This review process will take place according to the UNDP policies and procedures described for this purpose. Towards this aim, the APR prepared by the PMIU will serve as the reference document.

A program terminal report will be prepared for consideration of the Terminal Tripartite (TTPR) Review meeting. The report shall be prepared in draft sufficiently in advance to allow review prior to the program completion review. The NPD/NPM will be responsible for the preparation of the terminal report of the program according to the guidelines given in the Programming Manual and for completing all the procedures required for formal closing of the program, including the disposal of equipment. The program shall also be subjected to an independent terminal evaluation during the last quarter of the program life.

Table 3: Main Performance Indicators

Performance Indicators	Duration (from the starting date of the project)
Environment policy Unit established within the Ministry	04 month
Basic structure of EAMS developed	06 months
Public awareness material printed & communication strategy prepared	12 months
Impact assessment studies of previous IG projects carried out	09 months
A series of new IG projects identified	09 months
Partnerships with municipal authorities for urban cleaning developed	06 months
Partnerships with private sector developed for recycling program	06 months
Industrial pollution sites identified and plan of action prepared	09 months
Methodology for water quality sampling and testing developed	06 months
Inventory of wetlands prepared	07 months

9. RISKS AND PRIOR OBLIGATIONS

9.1 Risk Analysis

The program may encounter potential risks at a number of levels and in a variety of ways. However, these risks should be viewed taking into account the expected benefits of the program or, alternatively, in terms of consequences of not having the program. Even moderate success in the implementation of the program will significantly improve the current state of environment and strengthen the national capacities in natural resources conservation and protection. But this should not be interpreted to mean that the program should continue if corrective measures are not taken to address the potential risks. The potential risks faced by the program are discussed below together with their possible corrective measures in Table 4.

In addition to the risk specific corrective measures mentioned in above table, a number of additional measures will be taken to further minimize the potential risks. Government cost-sharing will be secured to enhance commitment and national ownership. A competitive recruitment modality will be adapted for national experts and consultants to ensure adequacy of profile and competence to the requirements of the post. Renewal of contracts of professional experts will be tied to evaluation of their annual performance reports. Moreover, extensive use will be made of national human resources and organizations wherever feasible, instead of international ones, in order to intensify capacity development and enhance sustainability.

Technical backstopping will be secured from various UN cooperating agencies in their respective areas of expertise to reinforce the implementation capacities of national entities. Finally, continuous monitoring and evaluation will be undertaken, as described in Section 8 above, in order to remove bottlenecks and introduce pro-actively corrective measures.

Table 4: Potential Risks, Their Likelihood and Possible Corrective Measures

Risk	Likelihood	Corrective Measures
The LEA is not established in time.	Low	The MEGYA should follow up the matter with the Parliament for enactment of the bill.
Lack of coordination between program activities, as well with those planned under other programs and projects.	Low to Medium	The project management should hold frequent meetings with other projects and programs to determine the nature of cooperation, as well as how to monitor this cooperation using verifiable indicators.
The Government is not able to provide its cost sharing contributions.	Low	Government record to support such initiatives in the past had been very positive. However, if there are delays in receiving cost-sharing contributions, the UNDP should take up the matter with the Principal Secretary of the Ministry of Environment to work out the revised schedule.
The Government fails to provide counterpart staff at the field level.	Medium to High	In the beginning of the program, targets should be set: how much counterpart staff is needed, when and where. This schedule should be reviewed on quarterly basis. A system of incentives should be devised and implemented to motivate the national staff.
The rate of youth drop out from the program remains high due to lack of incentives.	Medium	This risk could potentially be reduced by raising awareness among the youth; motivating them to participate in the program; revisiting the incentive structure; involving local communities in youth affairs; and identifying sound income generating projects for the youth. Also, the community groups to be established under "empowering the communities program" can play an important role in institutionalizing the youth groups.
The income generating activities may not be sustainable.	Low	Identification of income generating activities should be guided by a sound selection criterion. Impact assessment of past projects should form the basis for such a criterion.
The program may not be sustainable after withdrawal of donors' assistance.	Low	The Government is strongly committed to engage the youth in productive activities. In the past, the Government continued to support this initiative even in the absence of donors assistance.

9.2 Prior Obligations and Pre-requisites

Major part of this program will be geared towards strengthening the technical and institutional capacities of MoEGYA/LEA and its departments. It is believed that the Government cannot embark on such a program unless necessary elements of the capacity building are put into place. Therefore, conditions for approval of UNDP/donors assistance to the proposed program and its continuity rests on sufficient evidence that the following actions will be taken.

- (a) Lesotho Environment Authority (LEA) will be established as stipulated in the Environmental Legislation Act.
- (b) The Environment Legislation Act will be submitted to the Parliament for ratification.

- (c) The Program Implementation Committee will be constituted and NPD will be appointed.
- (d) The government will make office space and related facilities available for the establishment of PMIU.
- (e) The Government, at conclusion of the program, will absorb the long-term technical staff (especially field officers) hired under the program.
- (f) The Government will express its commitment to cost-sharing, both in cash and kind.
- (g) The Government will ensure that selection of staff for training under the program will be based on merit and demonstration of their commitment to work, and also ensure that the trained staff will serve in positions compatible to the training they received under the program.
- (h) The Government will commit strict enforcement of regulatory measures and standards for sustained environmental management.
- (i) The Government will re-orient the plans of other ministries/departments in the best interest of natural resource management and environmental enhancement.

10. LEGAL CONTEXT

The legal context for UNDP-assisted programs and projects in the Kingdom of Lesotho is established by the Standard Basic Assistance Agreement signed by both parties on 31 December 1974. This Program Support Document (PSD) shall be the instrument (therein referred to as a Plan of Operation) envisaged in Article 1, paragraph 2, of the above referred agreement. The following types of revisions may be made to this PSD with the signature of the UNDP Resident Representative only, provided s/he is assured that the other signatories of the PSD have no objections to the proposed changes:

- (a) Revisions in, or addition of, any of the annexes of the PSD.
- (b) Revisions which do not involve significant changes in the immediate objectives, outputs or activities of the program, but are caused by the rearrangement of inputs already agreed to or by cost increases due to inflation.
- (c) Mandatory annual revisions which re-phase the delivery of agreed program inputs or increased expert or other costs due to inflation or take into account agency expenditure flexibility.

SECTION III OUTPUTS, ACTIVITIES, WORK PLANS AND FINANCIAL MANAGEMENT

11. PROGRAM SUPPORT OBJECTIVES, OUTPUTS AND ACTIVITIES

As mentioned under Section 6.1, the development objective of this program is to establish vital basis for sustainable human development by targeting poverty reduction through efficient environmental management and improved natural resources conservation. Accordingly, the program has proposed a wide range of technical, institutional, regulatory, social and economic interventions in terms of different projects grouped under the following three major program support components: (a) strategic environmental planning; (b) sustainable livelihoods; and (c) environment management.

A distinctive feature of this program is that it will be specifically targeted at young people, with the intention of mobilizing a youth service for environmental rehabilitation. The proposed interventions are described in the form of a logical framework in the succeeding sections, outlining various objectives to be achieved under each program support component, outputs that will contribute towards the achievement of stated objectives, and the activities that will be undertaken to realize each planned output. In order to present budgetary estimates on output basis, total number of outputs to be realized have been kept to a manageable number. This framework would therefore require further expansion or refinement at the beginning of the project.

Program Support Objective 1: Strengthening national capacities in environmental policy implementation, coordination and governance so as to address issues related to poverty-environment nexus in a coordinated and integrated manner.

Expected Outcomes

- Policy reforms for environmental conservation and poverty alleviation
- More effective follow up on the recommendations of international conventions
- Improved quality of decision making
- Increased environmental awareness at different levels of the society.

Output 1.1: Functional Environmental Policy Unit at the LEA/MoEGYA.

- Activity 1.1.1: Prepare TOR for the unit
- Activity 1.1.2: Assign staff to the unit, and make necessary equipment available
- Activity 1.1.3: Link unit to the national and international networks
- Activity 1.1.4: Plan and carry out environmental policy studies
- Activity 1.1.5: Prepare policy briefs for decision making
- Activity 1.1.6: Participate in int'l conventions, and follow up on recommendations
- Activity 1.1.7: Review projects of other ministries from environmental perspective
- Activity 1.1.8: Enforce national environmental quality standards and guidelines
- Activity 1.1.9: Ensure enforcement of EQS
- Activity 1.1.10: Provide support to the preparation of district environmental action plans and policies

Output 1.2: Environmental Accounting and Monitoring System (EAMS)

- Activity 1.2.1: Identify the logical structure of EAMS
- Activity 1.2.2: Prepare inventory of data and information to be included in the EAMS
- Activity 1.2.3: Develop and standardize program for information collection

Activity 1.2.4: Process data and prepare annual reports on state of environment

Output 1.3: Concerted Public Awareness Campaigns and Improved Education Curriculum

Activity 1.3.1: Develop conceptual framework for public awareness campaigns

Activity 1.3.2: Design the campaign material and strategy

Activity 1.3.3: Coordinate with the DANCED project in the development of curricula at different levels of education (schools, colleges, universities) and ensure its implementation

Program Support Objective 2: Sustaining livelihoods of poor communities with special emphasis on the youth population by promoting activities leading to restoration of environment, regeneration of natural ecosystem, and prevention of the spread of HIV/AIDS epidemic.

Expected Outcomes

- Improved quality of life for the youth population
- Efficient management of country's land resources
- Increased vegetation cover
- Increased incomes for the communities
- Improved environmental health conditions

Output 2.1: Functional NEYC with Strengthened Technical Capacities

Activity 2.1.1: Set-up targets to be achieved and prepare strategy to achieve those targets

Activity 2.1.2: Mobilize human and material resources

Activity 2.1.3: Continue forming groups and impart training

Activity 2.1.4: Institutionalize the administrative structure of NEYC

Activity 2.1.5: Develop sustainable implementation strategy for NEYC

Output 2.2: A Series of Income Generating Projects

Activity 2.2.1: Identify project sites and carry out representative socioeconomic surveys

Activity 2.2.2: Develop site specific methodology to implement land rehabilitation work or implement forestry programs or production of cash crops

Activity 2.2.3: Identify and discuss alternative IGAs with the local groups

Activity 2.2.4: Appraise each IGA separately

Activity 2.2.5: Provide resources to implement IGAs

Activity 2.2.6: Organize workshops and training for the groups participating in the IGAs

Activity 2.2.7: Monitor income generating projects more frequently

Activity 2.2.8: Prepare regular progress reports documenting the results of IGAs

Output 2.3: Impact Assessment Studies

Activity 2.3.1: Select representative study sites

Activity 2.3.2: Design methodology to carry out the studies

Activity 2.3.3: Execute the studies to assess benefits realized in terms of natural resources conservation and management

Activity 2.3.4: Use results of the studies to improve the planning framework

Output 2.4: Environmentally Clean Towns

Activity 2.4.1: Organize youth groups for urban cleaning up

Activity 2.4.2: Raise awareness about environment health conditions

Activity 2.4.3: Develop partnerships with the local municipalities and urban authorities

Activity 2.4.4: Prioritize pilot sites for cleaning up

Activity 2.4.5: Develop procedures and organization for cleaning up

Activity 2.4.6: Implement the cleaning up program

Activity 2.4.7: Mobilize local communities to replicate the program

Output 2.5: Expanded Recycling Program

Activity 2.5.1: Identify new opportunities and local partners to promote recycling program

- Activity 2.5.2: Develop partnerships with the private sector
Activity 2.5.3: Encourage and mobilize youth groups to participate in the program

Output 2.6: Improved livelihoods of Youth

Activities are spelled out in detail in a separate project document. Here it is mentioned only for reference purposes.

Program Support objective 3: Improving environmental health conditions by combating urban and industrial pollution and maintaining drinking water quality in accordance with approved standards.

Expected Outcomes

- Improved environmental health conditions as a result of cleaned urban environment
- Pressure on industries to discharge effluent consistent with acceptable standards
- Availability of safe drinking water
- Increased awareness about wetlands management.

Output 3.1: Action Plan for the Industrial Pollution Control

- Activity 3.1.1: Study the nature and extent of pollution caused by industries
Activity 3.1.2: Identify main industrial sites which are the main sources of pollution
Activity 3.1.3: Raise awareness of affected communities about the consequences of pollution
Activity 3.1.4: Organize stakeholders groups to determine suitable solutions to address pollution problems
Activity 3.1.5: Promote self monitoring reporting system
Activity 3.1.6: Ensure enforcement of provisions provided in the environment legislation

Output 3.2: Water Quality Monitoring Network

- Activity 3.2.1: Identify priority areas to be monitored (three major towns)
Activity 3.2.2: Develop water quality sampling and testing methodology
Activity 3.2.3: Assess the nature of contamination caused by different sources
Activity 3.2.3: Identify polluters and extent of water quality damages caused by them
Activity 3.2.4: Link water quality monitoring results to the health policy
Activity 3.2.5: Raise public awareness about the consequences of water pollution, as well as how to avoid the hazardous effects of contamination
Activity 3.2.6: Establish system for regular water quality monitoring

Output 3.3: Action Plan for Management of Wetlands

- Activity 3.3.1: Make inventory of Lesothos' wetlands and their current status
Activity 3.3.2: Assess contributions these wetlands are presently making and potentially could make in the hydrological cycle and preserving biological diversity
Activity 3.3.3: Prepare an action plan for their efficient management
Activity 3.3.4: Prepare project document for GEF funding to implement the action plan

12. WORK PLANS

The work plan for the first year of the program is shown on a time scale in Annex 4. Main features of the work plan include: (a) continuation of activities initiated under the previous phases as they relate to the strengthening of the functions of Youth Corps but with new vision and focus; (b) establishment of a policy unit for strategic environmental planning in the MoEGYA/LEA; (c) development of EAMS; (d) support to the establishment of LEA; (e) initiation of activities on pollution control; and (f) procurement of equipment. Since the PMIU is already functional and part of the technical and field staff are already on board, no delays are expected to start the program implementation. In other words, as soon as the program is approved, it can move ahead with its implementation. If the LEA is established

during the first year of the program, the resources earmarked in this document for PSC 1 should be placed at the disposal of LEA.

13. FINANCIAL MANAGEMENT

13.1 Total Program Costs/Budget

Total financial size of the proposed program is around \$3.055 million. Out of this \$0.483 mil have already been committed by the UNDP in support of HIV/AIDS prevention project. The remaining amount of \$2.572 mil will be provided on cost sharing basis to finance the interventions proposed in this PSD. Table 5 shows indicative figures for different program support components and for the outputs to be produced under each program support component. Share of the sustainable livelihood component in the total costs/budget will be around 66%, followed by strategic planning component (16%), and environment management component (13%). The UNDP country office support costs will amount to 5%. Cost composition on total program basis suggests that income generating projects together with other studies and surveys will constitute about 50% of the total budget. Other important cost elements are program personnel (24%), capacity building/human resources development (10%) and equipment (10%).

13.2 Program Financing

As mentioned above, an amount of \$2.572 mil will be required to finance the interventions proposed in this PSD. Towards this end, the UNDP has agreed in principle to provide an amount of \$1.212 mil, as per budget provided at Annex 2.. In view of the commitment of the Government of Lesotho to this program, it is also expected to contribute an amount of \$1.28 mil. This amount will specifically be utilized to make monthly payments to the youth participating in the program and to initiate viable income generating projects. It is anticipated that remaining amount of 0.8 mil will be provided by GEF in support of the wetlands management component of PSC.3--since it is closely related to GEF mandate. The GOL, UNDP and GEF will have to further discuss and agree on the modality to implement the wetlands management component, and to readjust the budgetary figures for different proposed activities.

During the program life, efforts will be geared to mobilize additional resources from other bilateral resources. Depending upon the availability of funds, technical scope of the program will be expanded to accommodate other environmental related concerns as outlined in the national environmental agenda. The Program Support Table 5 provides an overview of the resources allocated to different components, as well as the picture with respect to resource availability.

13.3 Resource Mobilization Strategy

As mentioned earlier, the resources available under the present program will support only part of the national environmental agenda. Implementation of other elements of the NEAP and national environment policy will require additional funding. Thus, the Government of Lesotho should use this program as a catalyst to mobilize and attract additional funding from other bilateral resources so that implementation of remaining part of the national environmental priorities could be proceeded with. Towards, this aim, the UNDP should assist the Government in mobilizing additional resources.

Table.5: Program Support Table (Financial Figures in 000 US\$)

Program Support Components	Financial Earmarking	Summary of Main Outputs
<p><i>Strategic Environmental Planning:</i> This component will assist the LEA/ MoEGYA in coordinating the process of environment policy implementation. Technical capacities of relevant government institutions will be strengthened in order to enable them to participate in national and int'l environmental forums and to implement the treaties and conventions of which country is a member. Training in participatory approaches will be provided at the pilot scale to develop strong interface between local level planning initiatives and macro level policy making structure. An information & decision support system will be put in place to enhance the Ministry's monitoring and enforcement capacities. This component will also encourage and contribute towards broadening the environmental knowledge base in the country.</p>	423,781	<ul style="list-style-type: none"> • Functional environmental policy unit at the LEA/MoEGYA. • Environmental accounting and monitoring system (EAMS) • A wide range of public awareness campaigns • Improved educational curriculum in coordination with DANCED project
<p><i>Sustainable Livelihoods:</i> This component aims to alleviate poverty by engaging youth population of the society in income generating activities targeting at land rehabilitation and management of social forestry systems. Participatory approaches will be promoted to secure the basis for the management of natural resources, as well as to maintain the natural ecosystems. This component will further build upon the successful experience gained over the last few years to improve the quality of life of country's youth population.</p> <p>HIV/AIDS Prevention Project</p>	1,697,341 483,000	<ul style="list-style-type: none"> • Functional NEYC with strengthened technical capacities • Organized youth groups • A series of income generating projects • Impact assessment studies of projects implemented during the previous phase • Environmentally clean towns • Expanded recycling program <p>See separate project document</p>
<p><i>Environmental Management:</i> This component aims to improve the environmental health conditions by addressing issues related to industrial pollution, and those related to water quality and solid/liquid waste management. Moreover, it will support the execution of a wide range of technical studies organized in the form of pilot projects. Various elements of this component will strengthen the technical capacities of the national institutions and raise overall public awareness about environmental health conditions. Also, support will be provided to develop a strategic plan for the conservation/ protection of biological diversity in representative wetlands of the country.</p>	328,402	<ul style="list-style-type: none"> • Action plan for the industrial pollution control • System of water quality monitoring network • Action plan for management of wetlands, including a project document
Country Office Support Costs (5%)	122,476	
Total Program Costs	3,055,000	
Resource Availability:		
A: Cost-Sharing Basis		
• UNDP	1,212,000	
• GOL	1,280,000	
• GEF	80,000	
• Other bilateral donors	—	
B. Parallel Financing	483,000	
Total Resources Available (A+B)	3,055,000	

In this context, it is suggested that meetings with the potential bi-lateral and multi-lateral donors should be held on regular basis to discuss the scope of this program and to encourage their participation in program financing. Similarly, efforts should be geared to secure private sector participation in the program.

13.4 Mechanisms for Financial Accounting and Reporting

UNDP Country Office: The Country Office (CO) is accountable to the UNDP Administrator for all the resources provided to the GOL through this program. As such, the CO will be responsible for monitoring the program/project interventions to ensure proper use of UNDP funds. Specific services will be provided to the program at the request of the National Program Director which include:

- Overseas procurement, fielding of consultants, advance of funds to program/ project accounts, financial reporting and arranging training and fellowships.
- Where necessary UNDP will also provide other services such as direct disbursements, identification and recruitment of project personnel, procurement of goods and services, etc. Such services will be provided in accordance with the UNDP regulations, rules and procedures according to NEX guidelines. UNDP costs on these additional services will be recovered and debited to the relevant budget lines of the program/project, at the rate of 3% of the budgeted amount.

Financial Accountability: The PMIU shall be responsible for ensuring that the resources allocated to the program are utilized effectively in financing the envisaged activities. It will also maintain records and controls for the purpose of ensuring the accuracy and reliability of the program/project's financial information. The accounting systems in place shall ensure that the receipts and disbursements of available funds are properly recorded and that such disbursements are within the approved budgets. Tight controls in budget management would need to be ensured at all times, to exercise compliance with the UNDP's Financial Management System (FIM)

Advance of Funds: The UNDP CO shall disburse funds on the basis of quarterly financial reports/work plans, to the Executing/Implementing Agencies. Implementing agencies which are outside the Government's system (e.g. NGOs and Private Sector Institutions) shall request for advance from UNDP through the MoEGYA in accordance with the terms and conditions set-forth in the Memorandum of Understanding or Project Cooperation Agreement that shall be prepared and signed between them and the UNDP in this respect.

Direct Payments: An implementing Agency may request UNDP, through the Executing Agency, to make direct payments to other parties for goods and services provided to the program/project. When UNDP is asked to make a payment on behalf of the Executing Agent, the request must be forwarded to UNDP CO via a standard letter "Request for Direct Payment" duly completed and signed by the National Program Director.

Audit Requirements: The project operations are audited by the independent auditors hired by the UNDP at least once in a year. It is the responsibility of the national executing/ implementing agencies to cooperate with the auditors in terms of providing the requested information, as well as to ensure that all audit observations are attended to adequately.

Procurement of Goods and Services: The UNDP's established rules and procedures as provided in the NEX guidelines would be used for procurement of goods and services. The Executing Agency shall be responsible for maintaining an up-to-date stores/inventory record of the acquisition and disposition of property and equipment procured under the program/project.

Allocation of Resources: Total program budget by sub-program and components is provided in Annex 3. The Executing/Implementing Agencies may utilize this amount in accordance with the amount allocated against different budget lines and for different program support components as per rules and regulations outlined in this Section.

Program Implementation Agreements: The agreements to be signed under this program may include the following.

- Agreement between the UNDP and the national executing agency which will be formalized through the signing of this PSD.
- Agreements between the UNDP and the implementing agencies to be formalized through MOUs about the resources to be made available to the implementing agencies for implementation of different program support components.
- Agreements between the Executing/Implementing Agencies and the Int'l Cooperating Agencies (such as UN agencies and NGOs) to deliver specific technical services in support of program implementation.
- Agreements between the UNDP and donors agencies to formalize the cost sharing arrangements.
- Project cooperation agreements between UNDP and NGOs under the corporate guidelines for NGO execution, as given in the Programming Manual.

LIST OF ANNEXES

- Annex 1:** Terms of Reference for National/International Staff and Consultants
- National Program Manager (NPM)
 - National Adviser on Environment Policy
 - National Adviser on Natural Resources Management
 - National Adviser on Environment Management/Pollution Control
 - Information Management Expert (UNV)
- Annex 2:** Total Program Budget
- Annex 3:** Budget by Program Support Components and Outputs
- Annex 4:** Work Plan for the first 12 months

Annex 1: Terms of Reference for the National Program Manager (NPM)

Background: The Ministry of Environment, Gender and Youth Affairs (MoEGYA), on behalf of the Government of Lesotho, is responsible for implementing the program on "Environment Management for Poverty Alleviation" with the assistance of UNDP. The main objectives of the program is to address the issues and priorities related to poverty-environment nexus holistically through better conservation and protection of the country's natural resources and improved environmental management. Three main components of the program are: strategic environmental planning, sustainable livelihoods, and environment management. In order to coordinate and implement various program activities, a Program Management and Implementation Unit (PMIU) is proposed to be established in Maseru under the administrative jurisdiction of the MoEGYA which will be headed by a National Program Director (NPD). The PMIU will provide the technical, logistical and administrative support to implementing agencies in carrying out the tasks planned under different project components. Services of a National Program Manager (NPM) are required to provide technical and administrative assistance to the NPD in all aspects of program implementation.

Responsibilities: The NPM will work hand in hand with the NPD to facilitate the later in managing the PMIU. In the process, the incumbent will maintain close collaboration with the senior staff of the Ministry and district administrations, as well as national and international consultants and experts. The NPM will be responsible for providing technical and administrative support to NPD in all aspects of program implementation. Towards this aim, the incumbent is expected to carry out the following specific duties:

- Manage the PMIU, applying administrative and technical procedures as required by the UNDP under the national execution modality.
- Provide close and regular technical and administrative backstopping to secure basis for the implementation of all tasks planned under the program.
- Prepare and update work plans for the program in close coordination with the implementing units.
- Coordinate with all relevant parties in monitoring the progress of activities planned under the program.
- Prepare TOR for the national and international consultants, as well as assist the national selection committee in the evaluation of perspective candidates.
- Prepare TOR for subcontracts, evaluate tender documents, and monitor the execution of subcontracts.
- Coordinate and supervise the technical activities of national and international experts /consultants to secure timely production of planned outputs.
- Prepare annual progress reports, and represent the program in TPR meetings.
- Prepare financial reports and budget revisions.
- Act as a liaison with the MoEGYA, UNDP and other relevant parties.

Qualifications & Experience: The incumbent should hold an advanced degree in Environmental Engineering, Natural Resources Management, Resource Economics or any other closely related field. Significant experience in project/program management is required together with experience in principles of integrated environment management. Prior experience in environment related projects is highly desirable. Familiarity with the UNDP rules to implement projects under the national execution modality will be an added advantage. The incumbent should be fluent in English with excellent report writing capabilities. Selection will be based on merit. Remuneration in accordance with the UNDP regulations for posts of similar nature and profile. Contract: renewable on annual basis, for a maximum of three years.

Annex 1: Terms of Reference for the National Adviser on Environment Policy

Background: The Ministry of Environment, Gender and Youth Affairs (MoEGYA), on behalf of the Government of Lesotho, is responsible for implementing the program on "Environment Management for Poverty Alleviation" with the assistance of UNDP. The main objectives of the program is to address the issues and priorities related to poverty-environment nexus holistically through better conservation and protection of the country's natural resources and improved environmental management. Three main components of the program are: strategic environmental planning, sustainable livelihoods, and environment management. Services of a National Adviser on Environment Policy are required to lead the implementation of component on strategic environmental planning.

Responsibilities: The Environment Policy Expert will serve as one of the core national staff of the Program Management and Implementation Unit (PMIU). The incumbent will work under the supervision of the NPM, and in collaboration with other national and international staff of the PMIU. Specific tasks to be performed by the expert are as follows:

- Lead and coordinate all technical and administrative aspects of the strategic environmental planning component.
- Assist the NPM in the preparation of TOR for the national and international consultants and subcontracts (for surveys) to be executed as part of this component
- Strengthen the technical capacities of the newly established policy unit.
- Impart training to the national staff assigned to work with the expert on technical aspects related to the study. Also, assist the program management in the design of training program for the national staff in environmental planning and policy analysis.
- Plan and carry out environment policy studies.
- Provide support to the preparation of district environmental action plans and policies.
- Prepare an operational strategy indicating the tasks to be accomplished, methodology to achieve these tasks, inputs needed for this exercise, timing of the inputs, mechanism to link this study with other components of the program, and time frame for each of the planned task with assigned responsibilities etc.
- Assist the NPM in making the logistical and administrative arrangements for the execution of the work plan for this component.
- Assist the NPM and NPD in the implementation of other tasks as assigned to the expert by the project management.

Qualifications and Experience: The incumbent should hold an advanced degree in Environmental Engineering, or another closely related field. About 5 years experience in environment policy analysis and capacity building is required. Strong professional background and experience in the policy analysis tools is essential. Prior experience in environment management projects is highly desirable. The incumbent should be fluent in English with excellent report writing capabilities. Selection will be based on merit. Remuneration in accordance with the UNDP regulations for posts of similar nature and profile. Contract renewable on annual basis, for a maximum of three years.

Annex 1: Terms of Reference for the National Adviser on Environment Management/Pollution Control

Background: The Ministry of Environment, Gender and Youth Affairs (MoEGYA), on behalf of the Government of Lesotho, is responsible for implementing the program on "Environment Management for Poverty Alleviation" with the assistance of UNDP. The main objectives of the program is to address the issues and priorities related to poverty-environment nexus holistically through better conservation and protection of the country's natural resources and improved environmental management. Three main components of the program are: strategic environmental planning, sustainable livelihoods, and environment management. Services of a National Adviser on Natural Resources Management are required to lead the implementation of component on environment management.

Responsibilities: The Natural Resources Management Expert will serve as one of the core national staff of the Program Management and Implementation Unit (PMIU). The incumbent will work under the supervision of the NPM, and in collaboration with other national and international staff of the PMIU. Specific tasks to be performed by the expert are as follows:

- Lead and coordinate all technical and administrative aspects of the environment management component.
- Assist the NPM in the preparation of TOR for the national and international consultants and subcontracts (for surveys) to be executed as part of this component
- Strengthen the technical capacities of the selected youth groups, relevant departments of the Ministry and municipal administrations, as well as of the local communities in different aspects of environment management as they relate to pollution control and solid waste management.
- Impart training to the national staff assigned to work with the expert on technical aspects related to the component. Also, assist the program management in the design of training program for the national staff in water quality monitoring, environmental health, and wetlands management.
- Identify and develop opportunities to expand the recycling program with an aim to provide sustainable means of living to the poor youth and their families.
- Provide support to the preparation of district environmental action plans and policies.
- Develop and test various participatory approaches to sustain the impacts of environment management.
- Prepare an operational strategy indicating the tasks to be accomplished, methodology to achieve these tasks, inputs needed for this exercise, timing of the inputs, mechanism to link this study with other components of the program, and time frame for each of the planned task with assigned responsibilities etc.
- Assist the NPM in making the logistical and administrative arrangements for the execution of the work plan for this component.
- Assist the NPM and NPD in the implementation of other tasks as assigned to the expert by the program management.

Qualifications and Experience: The incumbent should hold an advanced degree in Environmental Science, Urban Planning or another closely related field. About 5 years experience in environment management and pollution control is required. Strong professional background and experience in planning and implementation of pollution control studies is essential. Prior experience in a community based environment project will be an added advantage. The incumbent should be fluent in English with excellent report writing capabilities. Selection will be based on merit. Remuneration in accordance with the UNDP regulations for posts of similar nature and profile. Contract renewable on annual basis, for a maximum of three years.

Annex 1: Terms of Reference for the Information Management Expert (UNV)

Background: The Ministry of Environment, Gender and Youth Affairs (MoEGYA), on behalf of the Government of Lesotho, is responsible for implementing the program on "Environment Management for Poverty Alleviation" with the assistance of UNDP. The main objectives of the program is to address the issues and priorities related to poverty-environment nexus holistically through better conservation and protection of the country's natural resources and improved environmental management. Three main components of the program are: strategic environmental planning, sustainable livelihoods, and environment management. Under the first component, an Environmental Accounting and Monitoring System (EAMS) will be established--consisting of a database/information system, decision support system/GIS and coordination and reporting system. Implementation of this activity will be supported by a UNV Expert on Information Management.

Responsibilities: The UNV Expert will serve as one of the core int'l staff of the Program Management and Implementation Unit (PMIU). The incumbent will work under the supervision of the NPM, and in collaboration with other national and international staff of the PMIU. Specific tasks to be performed by the expert are as follows:

- Develop the logical structure of the EAMS.
- Design database structure covering data on environmental variables, as well as data on relevant socioeconomic variables. Suggest ways and procedures to incorporate all available data into the newly designed database.
- Develop data inventory sheets/forms compatible with the proposed database structure.
- Develop database applications and routines for retrieval and processing of data.
- Prepare a framework for entry and analysis of data from the studies and surveys to be carried out as part of the program.
- Define and elaborate a series of software packages for analysis of raw information and for graphical representation of all interpreted data, including all GIS and contouring applications.
- Establish linkages between the database and other decision support models (GIS) for environment management analysis.
- Develop and implement on-the-job training program for the counterpart staff.
- Prepare manuals to guide and facilitate the smooth functioning of the information unit.

Qualifications & Experience: The incumbent should have at least a M.Sc. degree in computer science or information management or any other closely related field. The Expert should be able to demonstrate specific and up-to-date knowledge in the application of micro-informatics to the creation of environment-related information centers, including modeling, data analysis and graphical representation. Prior experience in establishing such centers or working with similar centers is essential. Knowledge of at least three of the most common programming languages is required, as well as of operational systems like DOS and UNIX.



Main Source of Funds: 01 - UNDP-IPF / TRAC - (Trac 1.1.1 & 1
Executing Agency: NEX - National Execution

Budget - Revision "A"

SBLN	Description	Implementing	Funding	Total	2001	2002	2003
010. PERSONNEL							
011. International Consultants							
011.01	ENVT POLICY	NEX		30,000		15,000	15,000
				W/M		1.0	1.0
				Total		15,000	15,000
011.02	NATURAL RESOURCES MGT	NEX		30,000		15,000	15,000
				W/M		1.0	1.0
				Total		15,000	15,000
011.03	POLLUTION CONTROL	NEX		15,000		15,000	15,000
				W/M		1.0	1.0
				Total		15,000	15,000
011.99	Line Total			75,000		45,000	30,000
				W/M		3.0	2.0
				Total		45,000	30,000
013. Administrative Support							
013.01	Finance Assistant	NEX		39,000	23,400	7,800	7,800
				Total	23,400	7,800	7,800
013.02	Admin Assistant	NEX		30,000	10,000	10,000	10,000
				Total	10,000	10,000	10,000
013.03	Secretary	NEX		30,000	4,200	4,200	4,200
				Net Amount	4,200	4,200	4,200
				Total	4,200	4,200	4,200
013.04	Driver	NEX		12,600	4,200	4,200	4,200
				Net Amount	4,200	4,200	4,200
				Total	4,200	4,200	4,200
013.05	Driver	NEX		12,600	4,200	4,200	4,200
				Net Amount	4,200	4,200	4,200
				Total	4,200	4,200	4,200
013.06	Driver	NEX		12,600	4,200	4,200	4,200
				Net Amount	4,200	4,200	4,200
				Total	4,200	4,200	4,200
013.07	Driver	NEX		9,000	3,000	3,000	3,000
				Total	3,000	3,000	3,000
013.08	Driver	NEX		9,000	3,000	3,000	3,000
				Net Amount	3,000	3,000	3,000
				Total	3,000	3,000	3,000
013.99	Line Total			130,800	52,000	39,400	39,400
				Net Amount	52,000	39,400	39,400
				Total	52,000	39,400	39,400

60% → 27,000

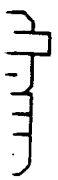
100% 39,400



Main Source of Funds: 01 - UNDP-IPF / TRAC - (Trac 1.1.1 & 1
Executing Agency: NEX - National Execution

Budget - Revision "A"

SBLN	Description	Implementing	Funding	Total	2001	2002	2003
014.	UN Volunteers						
014.01	Information Mgt Specialist	NEX		45,000	15,000	15,000	15,000
014.99	Line Total	100%	15,000	45,000	15,000	15,000	15,000
015.	Monitoring and Evaluation						
015.01	Duty Travel	NEX		62,938	25,706	17,116	20,116
015.99	Line Total	100%	17,116	62,938	25,706	17,116	20,116
017.	National Consultants						
017.01	National Project Manager	NEX		36,000	12,000	12,000	12,000
017.02	Env/Legal Adviser	NEX		36,000	12,000	12,000	12,000
017.03	Natural Resource Management Adviser	NEX		19,200	9,600	9,600	9,600
017.04	Project Engineer	NEX		19,200	9,600	9,600	9,600
017.05	Conservation Officer	NEX		19,200	9,600	9,600	9,600
017.06	Waste Mgt Officer	NEX		19,200	9,600	9,600	9,600
017.07	National Field Officer	NEX		22,500	7,500	7,500	7,500
017.08	National Field Officer	NEX		22,500	7,500	7,500	7,500
017.09	National Field Officer	NEX		22,500	7,500	7,500	7,500
017.10	National Field Officer	NEX		22,500	7,500	7,500	7,500
017.11	National Field Officer	NEX		15,000	5,000	5,000	5,000
017.12	National Field Officer	NEX		15,000	5,000	5,000	5,000
017.13	National Field Officer	NEX		15,000	5,000	5,000	5,000



Budget - Revision "A"

SBLN	Description	Implementing	Funding	Total	2001	2002	2003
017.13	National Field Officer	NEX	Total	15,000	5,000	5,000	5,000
017.14	National Field Officer	NEX	Net Amount	15,000	5,000	5,000	5,000
			Total	15,000	5,000	5,000	5,000
017.15	National Field Officer	NEX	Net Amount	15,000	5,000	5,000	5,000
			Total	15,000	5,000	5,000	5,000
017.16	Field Officer	NEX	Net Amount	15,000	5,000	5,000	5,000
			Total	15,000	5,000	5,000	5,000
017.17	National Consultant	NEX	Net Amount	6,000	5,000	5,000	5,000
			Total	6,000	5,000	5,000	5,000
017.18	National Consultant	NEX	Net Amount	6,000	2,000	3,000	3,000
			Total	6,000	2,000	3,000	3,000
017.19	Audit	NEX	Net Amount	6,000	2,000	2,000	2,000
			Total	6,000	2,000	2,000	2,000
017.99	Line Total	100%		305,400	88,500	106,200	110,700
019.	PROJECT PERSONNEL TOTAL			619,138	181,206	222,716	215,216
		100%		5.0	3.0	2.0	
020.	CONTRACTS			619,138	181,206	222,716	215,216
021.	Contract A						
021.01	Subcontract 1	NEX	Net Amount	1,125,000	425,000	350,000	350,000
			Total	1,125,000	425,000	350,000	350,000
021.02	Impact Assessment Studies	NEX	Net Amount	47,000		20,000	27,000
			Total	47,000		20,000	27,000
021.03	Subcontract 3 - IGA	NEX	Net Amount	46,000		20,000	26,000
			Total	46,000		20,000	26,000
021.04	Pollution Control Studies	NEX	Net Amount	40,000		20,000	20,000
			Total	40,000		20,000	20,000
021.99	Line Total			1,258,000	425,000	410,000	423,000
			Total	1,258,000	425,000	410,000	423,000



Main Source of Funds: 01 - UNDP-IPF / TRAC - (Trac 1.1.1 & 1
Executing Agency: NEX - National Execution

Budget - Revision "A"

SBLN	Description	Implementing	Funding	Total	2001	2002	2003
029.	SUBCONTRACTS TOTAL						
	Net Amount			1,258,000	425,000	410,000	423,000
	Total			1,258,000	425,000	410,000	423,000
030.	TRAINING						
031. Fellowships				41,800		31,000	10,800
031 01 Short Term Fellowships		NEX	50% 15,500	41,800		31,000	10,800
031.99 Line Total				41,800		31,000	10,800
	Net Amount			41,800		31,000	10,800
	Total			41,800		31,000	10,800
032. Other Training				52,800	2,800	25,000	25,000
032.01 Study Tours		NEX	20%	52,800	2,800	25,000	25,000
032.99 Line Total				52,800	2,800	25,000	25,000
	Net Amount			52,800	2,800	25,000	25,000
	Total			52,800	2,800	25,000	25,000
033. In-Service Training				42,650	2,650	15,000	25,000
033 01 In-Service training		NEX	20% 3,000	42,650	2,650	15,000	25,000
033.99 Line Total				42,650	2,650	15,000	25,000
	Net Amount			42,650	2,650	15,000	25,000
	Total			42,650	2,650	15,000	25,000
039. TRAINING TOTAL				137,250	5,450	71,000	60,800
	Net Amount			137,250	5,450	71,000	60,800
	Total			137,250	5,450	71,000	60,800
040. EQUIPMENT							
045. Equipment				189,000	189,000		
045 01 Vehicles (5)		NEX		189,000	189,000		
045 02 Computing/GIS/EMS eqt		NEX	10%	60,000		30,000	30,000
045 03 Pollution Monitoring N/work eqt		NEX		60,000		30,000	30,000
045 04 Audio-Visual/Awareness eqt		NEX		40,000		40,000	
	Net Amount			40,000		40,000	
	Total			40,000		40,000	
	Net Amount			30,368		15,000	15,368
	Total			30,368		15,000	15,368



SBLN	Description	Implementing	Funding	Total	2001	2002	2003
045.05	Operation & Maint	NEX	100% 10,000	45,000	25,000	10,000	10,000
				45,000	25,000	10,000	10,000
045.06	Office Supplies	NEX	100% 3,000	10,784	5,000	3,000	2,784
				10,784	5,000	3,000	2,784
045.99	Line Total			375,152	219,000	98,000	58,152
				375,152	219,000	98,000	58,152
049.	EQUIPMENT TOTAL			375,152	219,000	98,000	58,152
				375,152	219,000	98,000	58,152
050.	MISCELLANEOUS						
052.	Reporting Costs						
052.01	Reporting Costs	NEX	100% 2,500	56,332	9,500	23,416	23,416
				56,332	9,500	23,416	23,416
052.99	Line Total			56,332	9,500	23,416	23,416
				56,332	9,500	23,416	23,416
053.	Sundries						
053.01	Sundries	NEX	100% 2,267	6,983	2,500	2,267	2,216
				6,983	2,500	2,267	2,216
053.99	Line Total			6,983	2,500	2,267	2,216
				6,983	2,500	2,267	2,216
059.	MISCELLANEOUS TOTAL			63,315	12,000	25,683	25,632
				63,315	12,000	25,683	25,632
099.	BUDGET TOTAL			2,452,855	842,656	827,399	782,800
				2,452,855	842,656	827,399	782,800
				5.0	0.0	3.0	2.0
				2,452,855	842,656	827,399	782,800

Total estimated
 expenditures
 2002 747,499
 CARRYOVER 2001 + 190,000

SBLN	Donor	Funding	Total	2001	2002	2003
101.	Government cost-sharing					
101.01	LES	LES				
		Net Contrib.	1,275,000	489,868	285,132	500,000
		CO Adm. %	5.00	5.00	5.00	5.00
		CO Adm.	63,750	24,493	14,257	25,000
		Total	1,338,750	514,361	299,389	525,000
101.99	Line Total	Net Contrib.	1,275,000	489,868	285,132	500,000
		CO Adm. %	5.00	5.00	5.00	5.00
		CO Adm.	63,750	24,493	14,257	25,000
		Total	1,338,750	514,361	299,389	525,000
109.	COST SHARING TOTAL	Net Contrib.	1,275,000	489,868	285,132	500,000
		CO Adm. %	5.00	5.00	5.00	5.00
		CO Adm.	63,750	24,493	14,257	25,000
		Total	1,338,750	514,361	299,389	525,000
999.	NET CONTRIBUTION	Net Contrib.	1,177,855	352,788	542,267	282,800
		Total	1,177,855	352,788	542,267	282,800