



*Empowered lives.  
Resilient nations.*

# Integrated Economic Development Project

Annual Work - plan

2017

**United Nations Development Programme (UNDP)**

**Kingdom of Lesotho**

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**Brief Description**

The Integrated Economic Development is a UNDP project aimed at supporting interventions toward inclusive economic growth, development and poverty reduction. The project is delivered through the Strategy and Policy Unit, and the main partners for the programme are Ministry of Finance, Ministry of Development Planning, Ministry of Trade and Industry, Cooperatives and Marketing, Ministry of Gender Youth Sports and Recreation. The project consists of three main output areas:

- 1) Employment creation and access to finance
- 2) HIV and Gender mainstreaming (Gender Equality and Women Economic Empowerment)
- 3) Policy Development and research

Following a program realignment in UNDP, the Project Steering Committee endorsed proposed change in Output 2 to focus on only on Gender Equality and Women economic empowerment. The HIV, youth and gender mainstreaming will now be covered under the Governance and Peacebuilding Unit programs.

|                            |                |
|----------------------------|----------------|
| Total resources required   | US\$907, 5850. |
| Total allocated resources: | US\$260, 700   |
| • Regular                  | US\$260, 700   |
| • Other:                   | US\$370,000    |
| Unfunded budget:           | US\$176, 885   |
| In-kind Contributions      | US\$100, 000   |

|                                  |                  |
|----------------------------------|------------------|
| Programme Period:                | 2015 - 2017      |
| Key Result Area (Strategic Plan) | SP #1, SP #7     |
| Atlas Award ID:                  | # 80377          |
| Start date:                      | 2015             |
| End Date                         | 2017             |
| PAC Meeting Date                 | 06 February 2017 |

**OFFICE OF THE PRINCIPAL SECRETARY**  
**MINISTRY OF**  
**DEVELOPMENT PLANNING**  
  
 2017 -03- 29  
  
 P.O. BOX 630  
 MASERU 100, LESOTHO

Agreed by (Government) *[Signature]*

Agreed by (UNDP): *[Signature]* 10/02/2017

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*[Signature]*

## **1. Employment creation and policy implementation**

**Output 1.1:** Increased capacities of industry and commerce operators to provide decent employment opportunities, particularly for vulnerable people in manufacturing, trade and services industries. (CPD)

**Output 1.2:** Employment opportunities are created, by providing entrepreneurs with requisite resources and sustainable and inclusive practices to enhance productivity and value addition at national and regional level in 4 countries (RBA)

### **Indicators:**

- 1) Improved policy environment and institutional frameworks to promote inclusive growth
- 2) No of women and youth provided entrepreneurship skills training (CPD); Number of new jobs and other livelihoods generated disaggregated (IRRF 1.1.1)
- 3) No. of days taken to register a business
- 4) No of people accessing OBFC services (disaggregated by gender, type and size of business, origin)

Under this output, UNDP will support interventions for building national frameworks and institutional capacities that enhance private sector and MSME participation and coordination. The new Ministry of Small Business, Cooperatives and Marketing will be supported to establish a policy and legal framework to anchor entrepreneurship and ensure coordinated interventions for employment creation. Through the UNDP support, the MSME Development Policy was drafted in 2011, and this was adopted by the Government of Lesotho in 2016. Relative to the emerging challenges and opportunities for economic growth, UNDP will support an assessment for national capabilities for entrepreneurship, which will examine capacities, gaps (policy and capacity) and opportunities for development in this regard. The study and the planned multi-stakeholder forum to reflect on the constraints to entrepreneurship development in Lesotho, will guide future interventions in the sector. UNDP will also support development of a legal framework for MSMEs to complement the policy, the national Companies Act 2012, and other related statutes.

Based on the recommendations from the UNDP CPD Outcome evaluation for inclusive employment (2016), UNDP will work with the Ministry of Development Planning, private sector and other government ministries (Ministry of Trade and Industry) to establish a coordination platform for inclusive growth and development partners, which will also aid development of the new NSDP. The expectation is this will facilitate hosting and development of the institutional framework for the public-private dialogues. As a contribution to improved business climate, UNDP will further support information dissemination on trade reforms and OBFC procedures, and support resource mobilisation for automating external trade and capacity development for trade inspection.

## **2. Gender equality and women empowerment**

**Output 2.1:** Increased capacities of operators to provide employment and opportunities to women and youth

**Output 2.2.** Evidence-informed national strategies and partnerships to advance gender equality and women's empowerment

### **Indicators:**

- (1) # of new jobs and other livelihoods generated (women and youth)
- (2) Availability of new disaggregated information and resources that can be used for policy decisions
- 3) Number of mechanisms in place to collect, disseminate sex-disaggregated data and gender statistics, and apply gender analysis (IRRF 4.3.2.)

In collaboration with the Ministry of Gender and Youth, Sports and Recreation, the project will support advocacy for gender equality and women economic empowerment to build national capacity for



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### III. ACHIEVEMENTS TO DATE AND WORK PLAN OUTLOOK

#### 1. Achievements to date:

Since inception, the project has achieved the following:

##### *i) Employment creation and policy implementation*

- Development of the OBFC Communication strategy and assessment for automated systems for customs data (ASYCUDA)
- Financial inclusion:
  - Money week campaigns and development of the financial literacy programs.
  - FinScope MSME 2015
  - M&E framework for financial inclusion
- Women empowerment initiatives and capacity building of women groups, in partnership with the private sector,

##### *ii) HIV and Gender mainstreaming (Gender Equality and Women Empowerment)*

- Capacity building to civil society on MDGs; Developed a Lesotho MDG Status report 2015, and supported documentation of the Lesotho MDG experience through a Video.
- HIV and AID: Supported research and publication of the report on HIV/AIDS and the law; Led a youth advocacy against stigma and discrimination associated with HIV and AIDS through the "Take the pledge campaign" in partnership with local media, NGOs<sup>1</sup> and National University of Lesotho.
- Gender mainstreaming: Supported campaigns to promote gender equity and advocacy against sexual and gender-based violence, specifically the "It's a women's world too" campaign for gender equity and advocacy against sexual and gender based violence through 'Women in Resistance' campaign

##### *iii) Research and Policy development*

Supported research and drafting of key policies for employment creation:

- Draft Investment policy, adopted by the Lesotho government in 2016.
- Mining Policy; the action plan, and draft legal framework
- Diagnostic research on Structural transformation to increasing employment in Lesotho
- Policy dialogue on employment creation and private sector (2015)
- Draft project on Lesotho data, adopted as a project in 2016.
- Contribution to the Lesotho study on the Cost of Hunger
- Draft MDG report 2016
- Economic Census report and business register 2014
- National Human Development Report 2015
- Development of the Youth Development Policy

#### 2. Highlights of the 2017 plan

In 2017, the following outputs and targets are planned:

##### **2.1. Policy implementation and Employment Creation**

- Institutional capacity of the Ministry of Small Business for development of MSMEs is enhanced
- Improved coordination and support to MSMEs
- Improved access to financial services for enhanced
- Improved opportunities for youth employment
- Improved private sector engagement for inclusive growth
- Improved ranking on days taken to register a business in Lesotho

##### **2.2. Gender Equality and Women Empowerment**

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<sup>1</sup> LIRAC led the consultations for the campaign

II. ANNUAL WORK PLAN

Award ID: 80377

Project ID and Title: 90084

Implementing Partner: Ministry of Development Planning

| EXPECTED OUTPUTS  | PLANNED ACTIVITIES   | IRRF/CPD Output Indicator # (Reference) | TIMEFRAME |     |     |     | Implementing Partner | PLANNED BUDGET |  |                                      |        |                         |        |
|---|--|---|-----------|-----|-----|-----|----------------------|----------------|--|--------------------------------------|--------|-------------------------|--------|
|   |  |   | Q 1       | Q 2 | Q 3 | Q 4 |                      | Funding Source | Budget Description                             | Total Amount (USD)                   | UNDP   | Donor (to be mobilized) |        |
| <b>Output 1. Policy implementation and Employment Creation</b>  |  |   |           |     |     |     |                      |                |  |                                      |        |                         |        |
| <b>Output 1.1: Increased capacities of operators to provide employment and opportunities to women and youth</b>   | <b>Result 1.1.1. Institutional capacity of the Ministry of Small Business for development of MSMEs is enhanced</b> |   |           |     |     |     |                      |                |  |                                      |        |                         |        |
|   | 1.1.1.1. Assessment of the entrepreneurial capabilities and gaps in Lesotho to support MSME Policy                 | IRRF1.1.1, CPD33.1                      |           | X   |     |     |                      |                |  | Local consultant 30 days @USD500/day | 15,000 | 15,000                  | 0      |
| <b>Output 1.2: Employment opportunities are created, by providing entrepreneurs with requisite resources and sustainable and inclusive practices to enhance productivity and value addition at national and regional level in 4 countries (RBA)</b> | IRRF1.1.1, CPD33.1   |   |           | X   |     |     | MSBMC, MDP           |                | Stakeholder consultations @500 per meeting (3) |                                      |        |                         | 0      |
|   | 1.1.2. Review the MSME Policy  | IRRF1.1.1, CPD33.1                      |           |     |     |     | MSBMC, MDP           |                | Local consultant for 20 days @ USD 500/day     | 10,000                               | 10,000 | 0                       | 10,000 |
|   |  | IRRF1.1.1, CPD33.1                      |           |     |     |     |                      |                | Stakeholder consultations @500 per meeting (2) |                                      |        |                         | 0      |

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| EXPECTED OUTPUTS  | PLANNED ACTIVITIES   | IRRF/CPD Output Indicator # (Reference) | TIMEFRAME |     |     |                          | Implementing Partner           | PLANNED BUDGET                                |  |                    |        |                         |  |  |
|---|--|---|-----------|-----|-----|--------------------------|--------------------------------|---|--|--------------------|--------|-------------------------|--|--|
|   |  |   | Q 1       | Q 2 | Q 3 | Q 4                      |                                | Funding Source                                | Budget Description   | Total Amount (USD) | UNDP   | Donor (to be mobilized) |  |  |
|   |  |   |           |     |     |                          |                                |   |  |                    |        |                         |  |  |
|   | employment   |   |           |     |     |                          |                                |   |  |                    |        |                         |  |  |
| <b>Baseline (2014):</b><br>1) MSME Policy; Investment Policy, Mining Policy, OBFC Strategic Plan; Framework for Microinsurance Regulation;<br>3) 28 days<br>4) 25, 400 people (no disaggregation) | 1.4.1. Undertake a youth employment tracer study   | IRRF1.1.1, CPD33.1                      | X         |     |     |                          | MGYSR, MDP                     | UNDP  |  | 20,000             | 0      | 20,000                  |  |  |
|   | 1.4.2. Establish a YouthKonnnect Platform (job information and search)                         | IRRF1.1.1, CPD33.1                      |           | X   | X   | X                        | MGYSR, MDP                     | UNDP  |  | 20,000             | 5,000  | 15,000                  |  |  |
|   | <b>Results 1.5. Improved private sector engagement for inclusive growth</b>                    |   |           |     |     |                          |                                |   |  |                    |        |                         |  |  |
|   | 1.5.1. Support public-private sector policy dialogues and engagement                           |   |           |     |     |                          | MDP, MTI, MSB, PSF, LCCI, UNDP |   |  |                    |        | 0                       |  |  |
|   | 1.5.1.1. Support development of private sector coordination mechanism and development strategy | IRRF 1.1.1, CPD 33.1.                   | X         | X   | X   | X                        | MDP, PSF, LCCI, UNDP           | UNDP  | 10 x monthly meetings for private sector stakeholder (30 ppl), venue, refreshments | 5,000              | 1,500  | 3,500                   |  |  |
| 1.5.1.2. Host public-private sector policy dialogue   | IRRF 1.1.1, CPD 33.1.  |   | X         | X   |     | MDP, MTI, MSB, PSF, LCCI | UNDP                           | 3 meetings of 100 people, venue, refreshments | 15,000   | 0                  | 15,000 |                         |  |  |
| 1.5.2. Support Lesotho Global Compact Chapter   | IRRF 1.1.1, CPD 33.1.  | X                                       | X         | X   | X   | PSFL, MDP                | UNDP                           |   | 5,000  | 5,000              | 0      | 0                       |  |  |

| EXPECTED OUTPUTS   | PLANNED ACTIVITIES  | IRRF/CPD Output Indicator # (Reference)     | TIMEFRAME |     |     |      | Implementing Partner  | PLANNED BUDGET   |                    |                    |               |                         |  |  |
|--|---|---|-----------|-----|-----|------|---|--|--------------------|--------------------|---------------|-------------------------|--|--|
|  |   |   | Q 1       | Q 2 | Q 3 | Q 4  |   | Funding Source   | Budget Description | Total Amount (USD) | UNDP          | Donor (to be mobilized) |  |  |
|  |   |   |           |     |     |      |   |  |                    |                    |               |                         |  |  |
| <p><b>Indicators:</b> (1) # of new jobs and other livelihoods generated (women and youth)</p> <p>(2) Availability of new disaggregated information and resources that can be used for policy decisions</p> <p>3) Number of mechanisms in place to collect, disseminate sex-disaggregated data and gender statistics, and apply gender analysis (IRRF 4.3.2.)</p> | 2.1.2. Establish and coordinate a Women Economic Empowerment Forum (local and national) | IRRF 1.1.1., 4.1.1., 4.4.2., 7.1., CPD 33.1 |           |     |     |      |   |  |                    |                    |               |                         |  |  |
|  | 2.1.2.1 Assess WEE and GE activities of DoG   | IRRF 1.1.1., 4.1.1., 4.4.2., 7.1., CPD 33.1 | X         | X   | X   | X    | UNDP  | local consultant @250/day for 20 days, stakeholder consultations | 10,000             | 5,000              | 5,000         |                         |  |  |
|  | 2.1.2.2. Establish local and national WEE Forums  | IRRF 1.1.1., 4.1.1., 4.4.2., 7.1., CPD 33.1 | X         | X   | X   | X    | UNDP  | Monthly meetings for 30 people @USD500                           | 15,000             | 3,000              | 12,000        |                         |  |  |
|  | 2.1.4. Awareness on SDG 5 and gender concerns in Agenda 2030                            | IRRF 1.1.1., 4.1.1., 4.4.2., 7.1., CPD 33.1 |           | X   |     |      | UNDP  | 3-day workshop for 40 national stakeholders, venue, consultant   | 25,000             | 0                  | 25,000        |                         |  |  |
| <p><b>Targets:</b></p> <p>1)</p> <p>2) # of newsletters and information sessions for gender equality</p>   | 2.1.5. Review AHDR 2016 and recommendations for Lesotho                                 | IRRF 1.1.1., 4.1.1., 4.4.2., 7.1., CPD 33.1 | X         | X   |     | UNDP | 1-day workshop for gender stakeholders; 1 consultant @300/day | 5,000  | 0                  | 5,000              |               |                         |  |  |
| <b>Total for Output 2</b>  |   |   |           |     |     |      |   |  | <b>59,000</b>      | <b>12,000</b>      | <b>47,000</b> |                         |  |  |



| EXPECTED OUTPUTS   | PLANNED ACTIVITIES  | IRRF/CPD Output Indicator # (Reference) | TIMEFRAME |     |     |     | Implementing Partner | PLANNED BUDGET |   |                    |               |                         |          |                |               |
|--|---|---|-----------|-----|-----|-----|----------------------|----------------|---|--------------------|---------------|-------------------------|----------|----------------|---------------|
|  |   |   | Q 1       | Q 2 | Q 3 | Q 4 |                      | Funding Source | Budget Description  | Total Amount (USD) | UNDP          | Donor (to be mobilized) |          |                |               |
|  |   |   |           |     |     |     |                      |                |   |                    |               |                         |          |                |               |
| 2016<br>2) NHDR 2015   | oversight mechanism for SDGs  |   |           |     |     |     |                      |                |   |                    |               |                         |          |                |               |
|  | 3.2.2. Policy/plan/strategy mapping and confirmation of unfinished business (MDGs) and gaps | IRRF 7.1., 7.2., CPD 36.1               | X         | X   | X   | X   | MDP                  | UNDP           | Local consultant @USD450 per day for 30 days, validation          | 15,500             | 0             | 15,500                  | 0        | 15,500         |               |
|  | 3.2.3. Support SDG mainstreaming in NSDP and sectoral plans                                 | IRRF 7.1., 7.2., CPD 36.1               | X         | X   |     |     | MDP                  | UNDP           | 3-day workshop for 50 people                                      | 20,000             | 0             | 20,000                  | 0        | 20,000         |               |
|  | 3.2.4. Launch localized Agenda 2030   | IRRF 7.1., 7.2., CPD 36.1               | X         | X   |     |     | MDP                  | UNDP           | Venue and meeting for 100 people; IEC materials                   | 5,000              | 0             | 5,000                   | 0        | 5,000          |               |
| <b>Targets:</b><br>1) Existence of Lesotho SDG mainstreaming documents | <b>Results 3.3. Evidence for inclusive growth made available</b>                            |   |           |     |     |     |                      |                |   |                    |               |                         |          |                |               |
|  | 3.3.1. Undertake a study on inclusive and sustainable growth in Lesotho                     | IRRF 1.1.1, CPD 33.1.                   | X         | X   |     |     | MDP, UNDP            | UNDP           | International consultant @ 700, local consultant @300 for 30 days | 30,000             | 30,000        | 60,000                  | 0        | 60,000         | 0             |
| <b>Total for Output 3.</b>   |   |   |           |     |     |     |                      |                |   | <b>112,500</b>     | <b>53,000</b> | <b>165,500</b>          | <b>0</b> | <b>165,500</b> | <b>59,500</b> |
| <b>Output 4. Project Management Costs</b>                              |   |   |           |     |     |     |                      |                |   |                    |               |                         |          |                |               |
| <i>Human Resources</i>   | Project Manager (12 months), UN Volunteer (Youth and financial inclusion)                   |   |           |     |     |     | UNDP                 | UNDP           | Project manager, UN Volunteers                                    | 43,200             | 43,200        | 86,400                  | 43,200   | 129,600        |               |

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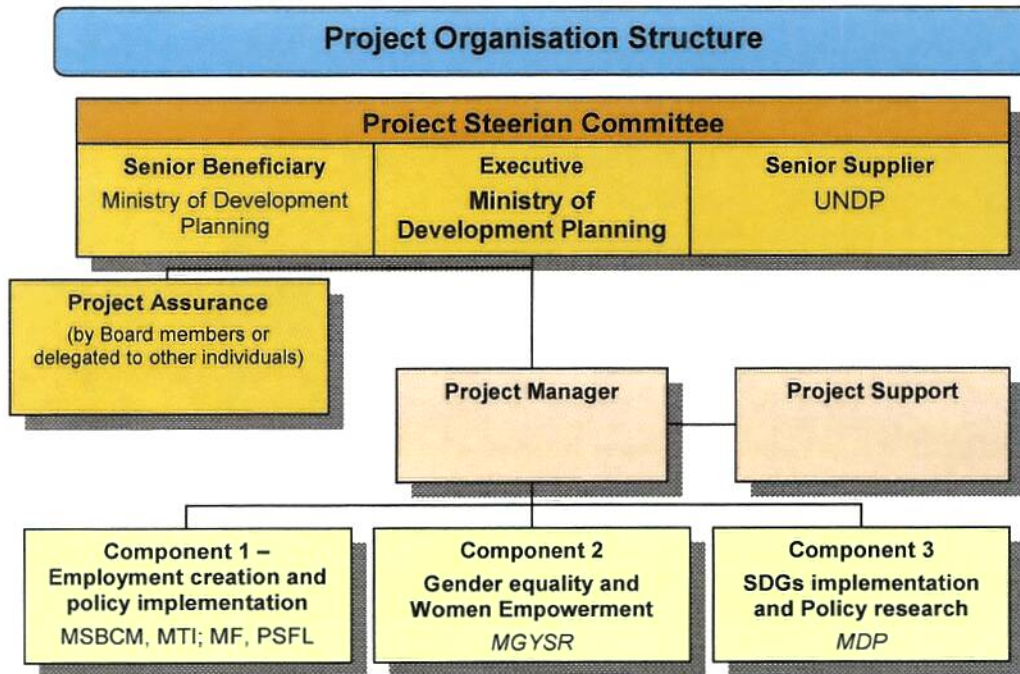
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### III. MANAGEMENT ARRANGEMENTS

#### 1. Project management

The diagram below is an outline of the management structure for the project.



**Project Steering Committee:** The Project Steering Committee (PSC) is responsible for the overall direction and management of the project and has responsibility and authority for the project. The PSC is the group responsible for making executive management decisions for a project when guidance is required by the Project Manager, including approval of project plans and revisions. This group contains three roles: an Executive to chair, a Senior Supplier to provide guidance regarding the technical feasibility of the project, and a Senior Beneficiary to ensure the realization of project benefits from the perspective of project beneficiaries. The Executive role is held by a representative from the government, the Senior Supplier role is held by UNDP, and the Senior Beneficiary role is held by a representative of the government entities participating in the project:

The Steering Committee will meet every six months and review and approve annual budgets and work plans and provide strategic guidance to the project. The first meeting in 2016 will be held in **April and October 2017**

Members of the Steering Committee for this project include:

- Ministry of Development Planning (Executive and Senior Beneficiary)
- Ministry of Gender and Youth, Sports and Recreation
- Ministry of Finance
- Ministry of Trade and Industry
- Ministry of Small Business, Cooperatives and Marketing
- Office of the Prime Minister
- Private Sector
- UNDP

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UNDP reserves the right to verify whether such a plan is in place, and to suggest modifications to the plan when necessary. Failure to maintain and implement an appropriate security plan as required hereunder shall be deemed a breach of the Implementing Partner's obligations under this Project Document [and the Project Cooperation Agreement between UNDP and the Implementing Partner] .

The Implementing Partner agrees to undertake all reasonable efforts to ensure that no UNDP funds received pursuant to the Project Document are used to provide support to individuals or entities associated with terrorism and that the recipients of any amounts provided by UNDP hereunder do not appear on the list maintained by the Security Council Committee established pursuant to resolution 1267 (1999). The list can be accessed via [http://www.un.org/sc/committees/1267/aq\\_sanctions\\_list.shtml](http://www.un.org/sc/committees/1267/aq_sanctions_list.shtml). This provision must be included in all sub-contracts or sub-agreements entered into under/further to this Project Document.

## 2. TERMS OF REFERENCE:

### 1. Project Steering Committee

Overall responsibilities: The Project Steering Committee is the group responsible for making by consensus management decisions for a project when guidance is required by the Project Manager, including recommendation for UNDP approval of project plans and revisions. In order to ensure UNDP's ultimate accountability, Project Steering Committee decisions should be made in accordance to standards that shall ensure best value to money, fairness, integrity transparency and effective international competition. In case a consensus cannot be reached, final decision shall rest with the UNDP Programme Manager. Project reviews by this group are made at designated decision points during the running of a project, or as necessary when raised by the Project Manager. This group is consulted by the Project Manager for decisions when PM tolerances (normally in terms of time and budget) have been exceeded.

Based on the approved annual work plan (AWP), the Project Steering Committee may review and approve project quarterly plans when required and authorizes any major deviation from these agreed quarterly plans. It is the authority that signs off the completion of each quarterly plan as well as authorizes the start of the next quarterly plan. It ensures that required resources are committed and arbitrates on any conflicts within the project or negotiates a solution to any problems between the project and external bodies. In addition, it approves the appointment and responsibilities of the Project Manager and any delegation of its Project Assurance responsibilities.

Composition and organization: This group contains three roles, including:

- An Executive: individual representing the project ownership to chair the group.
- Senior Supplier: individual or group representing the interests of the parties concerned which provide funding and/or technical expertise to the project. The Senior Supplier's primary function within the Steering Committee is to provide guidance regarding the technical feasibility of the project.
- Senior Beneficiary: individual or group of individuals representing the interests of those who will ultimately benefit from the project. The Senior Beneficiary's primary function within the Steering Committee is to ensure the realization of project results from the perspective of project beneficiaries.

Potential members of the Project Steering Committee are reviewed and recommended for approval during the LPAC meeting. (LPAC for the project was held on the 4<sup>th</sup> May 2014)

#### Specific responsibilities:

##### Defining a project

- Review and approve the Initiation Plan (if such plan was required and submitted to the LPAC).

##### Initiating a project

- Agree on Project Manager's responsibilities, as well as the responsibilities of the other members of the Project Management team;
- Delegate any Project Assurance function as appropriate;
- Review the Progress Report for the Initiation Stage
- Review and appraise detailed Project Plan and AWP, including Atlas reports covering activity definition, quality criteria, issue log, updated risk log and the monitoring and communication plan.

##### Running a project

- Provide overall guidance and direction to the project, ensuring it remains within any specified constraints;
- Address project issues as raised by the Project Manager;



- Monitor financial resources and accounting to ensure accuracy and reliability of financial reports;
- Manage and monitor the project risks as initially identified in the Project Brief appraised by the LPAC, submit new risks to the Project Steering Committee for consideration and decision on possible actions if required; update the status of these risks by maintaining the Project Risks Log;
- Be responsible for managing issues and requests for change by maintaining an Issues Log.
- Prepare the Project Quarterly Progress Report (progress against planned activities, update on Risks and Issues, expenditures) and submit the report to the Project Steering Committee and Project Assurance;
- Prepare the Annual Review Report, and submit the report to the Project Steering Committee and the Outcome Steering Committee;
- Based on the review, prepare the AWP for the following year, as well as Quarterly Plans if required.

#### Closing a Project

- Prepare Final Project Review Reports to be submitted to the Project Steering Committee and the Outcome Steering Committee;
- Identify follow-on actions and submit them for consideration to the Project Steering Committee;
- Manage the transfer of project deliverables, documents, files, equipment and materials to national beneficiaries;
- Prepare final CDR/FACE for signature by UNDP and the Implementing Partner

### 3. Project Assistant

Overall responsibilities: The Project Assistant role provides project administration, management and technical support to the Project Manager as required by the needs of the individual project or Project Manager.

Specific responsibilities: Some specific tasks of the Project Support would include:

#### Provision of administrative services:

- Set up and maintain project files
- Collect project related information data
- Update plans
- Administer the quality review process
- Administer Project Board meetings

#### Project documentation management:

- Administer project revision control
- Establish document control procedures
- Compile, copy and distribute all project reports

#### Financial Management, Monitoring and reporting

- Assist in the financial management tasks under the responsibility of the Project Manager
- Provide support in the use of Atlas for monitoring and reporting

#### Provision of technical support services

- Provide technical advices
- Review technical reports
- Monitor technical activities carried out by responsible parties

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