



2023 NATIONAL COMMITMENT STATEMENT ON ACCELERATING IMPLEMENTATION OF SDGS

SDG SUMMIT LESOTHO NATIONAL COMMITMENT STATEMENT

1. Introduction

- ✓ Lesotho is highly committed to the implementation of the 2030 Agenda for Sustainable Development, and the Sustainable Development Goals (SDGs). This commitment is operationalised through the National Strategic Development Plan II (NSDP II), 2018/19 – 2022/23 whose implementation horizon has been extended by additional five years up to 2027/28. The SDGs have been integrated into the NSDP II in recognition of the transformative goal of the 2030 Agenda for Sustainable Development and opportunities to derive inclusive and sustainable development for Basotho.
- ✓ The NSDP II gives priority to people-centred development by pursuing private sector-led economic growth and employment creation, to further reduce poverty and reduce inequalities within the society.
- ✓ In an effort to track progress towards achievement of the SDGs, the country has undertaken two Voluntary National Reviews (VNRs); one in 2019 and another 2022.

Socio-economic development context

- ✓ The country has however experienced lack of sustained economic growth, highest vulnerability, and exposure to socio-economic and climate shocks. Recently, the impact of the COVID-19 pandemic has exacerbated poverty trends.
- ✓ The World Bank projections suggest that, Lesotho's poverty rate increased because of the COVID-19 pandemic and will remain higher than pre-pandemic levels as the crisis recedes. This impact will be particularly high in rural areas, as the capacity to cope with adverse events has been weakened by successive droughts that the country experienced in the years 2018 and 2019.
- ✓ Persistent higher poverty rates are in part a reflection of the low productivity associated with the agricultural sector concentrated in the rural areas where the majority of the population lives. In addition, a reflection of the industrial sector that lacks dynamism, especially the textile and apparel manufacturing.
- ✓ More recently, poverty rates and economic growth stagnation is exacerbated by the global impact of the Ukraine war through various factors including: (i) the impact on global commodity prices on the trade balance, fiscal revenues and inflation; (ii) the impact on global growth; (iii) the impact on global financial market and flows to emerging markets; and (iv) the impacts on agriculture added value through fertilisers prices increase.

Lesotho's SDG moment and Prioritisation for SDG investment

- ✓ As the world is at halfway mark of SDGs implementation, it becomes more pertinent to critically review and re-strategize towards attainment of the 17 SDGs. The focus of SDGs implementation, though mainstreamed into the National Strategic Development Plan, was on all the 17 SDGs and the reports have provided evidence that even prior to COVID-19, it was clear that progress is not at the speed or scale required. There is a dire need to refocus and prioritise investments in areas that will accelerate implementation in this remaining half towards 2030.
- ✓ Lesotho has participated in two voluntary reviews to assess progress in achievement of selected goals. The messages from these include:
 - Strengthening data collection, monitoring and evaluation and performance management

- Strengthening national capacity for research, technology, and innovations.
 - Strengthening legal, policy and institutional capacities for effective governance.
 - Mobilization of investment, technical and financial resources, advocacy, and partnerships for SDGs.
- ✓ The country has undertaken an analysis of internal contextual and future development realities to define Lesotho's potential pathways for achieving the SDGs, guided by the United Nations. Building from the national priorities, Lesotho's development commitments are centred on the five SDGs: namely; **Goal 16** – Peace, Justice and Strong Institutions; **Goal 1** – No Poverty; **Goal 8** – Decent Work and Economic Growth; **Goal 5** – Gender Equality and **Goal 10** – Reduced Inequalities. These are also intrinsically linked to the key priority areas defined by the NSDP II.
 - ✓ In prioritisation, an analytical process based on a global framework for interlinkages among different SDG targets, to assess the synergies and trade-offs was undertaken to determine pathways for Lesotho in the remaining period to 2030. Uncovering and understanding these interactions is critical for Lesotho to also inform prioritization and emerging policy trade-offs.
 - ✓ Relative to the national development context, the following pathways reflect areas for policy investments with the most potential to accelerate the SDGs for Lesotho:
 - *Target 5.5: Ensure women's full and effective participation and equal opportunities for leadership at all levels of decision-making in political, economic, and public life.* Gender inequalities due to cultural norms, customs and both normative and discriminatory practices are persistent, and as a result, women are disadvantaged over men in most socio-economic and political spheres. It is therefore imperative to prioritise policies that address gender gaps in human development and raise women's agency and representation in: social, economic, and political life. Strategies including an inclusive, adaptive and gender-responsive social protection programmes and leveraging digital technologies will be necessary to ensure leaving no one behind and increase women's civic and political engagement. In addressing the gender inequalities, strategies targeting gender-based violence (GBV) need to be prioritised.
 - *Target 8.5: By 2030, achieve full and productive employment and decent work for all women and men including for young people and persons with disabilities, and equal pay for work of equal value.* Lesotho is ranked among the world's most unequal countries, with unemployment for the youth estimated at 38%. Supporting private sector participation, especially the micro, small, and medium enterprises (MSMEs) in the priority sectors will create multitude job opportunities, as well as impact on trade and economic diversification and industrialisation. This will have a ripple effect on current development priorities including reducing poverty and inequalities.
 - *Target 9.1: Develop quality, reliable, sustainable, and resilient infrastructure, including regional and trans-border infrastructure to support economic development and human well-being, with a focus on affordable and equitable access for all.* Industrial development is largely concentrated on textiles and apparel manufacturing, with limited to no value addition activities in other primary sectors due to inadequate and limited access to supporting infrastructure, and technology. Investing in infrastructure development will complement efforts to address current unemployment challenges, build industry, build economic competitiveness, and accelerate regional integration, to take advantage of emerging development opportunities such as the African Continental Free Trade Agreement (AfCFTA).

- *Target 10.1: By 2030, progressively achieve and sustain income growth of the bottom 40 percent of the population at a rate higher than the national average.* Inequalities due to gender, the urban and rural dichotomies, effects of generational poverty, and exposure to environmental shocks are responsible for the exclusion of the most people. Ensuring quality and inclusive education and skills development, access to health services, equitable distribution of resources and effective public service delivery, including social protection programmes can enable children's full cognitive development and ensure they have skills that can lead them to income graduation and improved quality of life. This would lead to a sustained income growth for the bottom 40%.
- *Target 16.6: Develop effective, accountability and transparent institutions at all levels.* Lesotho has been subjected to cyclic incidences of political instability since independence, and the governance indicators have deteriorated and plateaued at low effectiveness. The country is implementing wide economic, public sector and political reforms to reverse and improve government's accountability and oversight and ensure political stability. In order to achieve the desired outcomes, there is a need for strengthening monitoring and evaluation of programs, Public Financial Management (PFM) and effective implementation of national budget but with increased citizens', particularly youth, participation into the budgeting processes. An effective public participation coupled with the right investment in institutions can have multiplier effects on poverty reduction, employment creation, public participation, and civic engagement, and catalysing private sector investments.

2. Priorities for SDG Acceleration and Investment

- ✓ Lesotho has prioritised **SDG 8, through target 8.5** to foster transformation and transition out of poverty and inequalities and accelerate the achievement of the SDGs. This also spotlights Lesotho's development aspirations defined by the NSDP II for creating inclusive and sustainable economic growth and job creation.
- ✓ The interlinkages with the prioritised SDG targets, provides an opportunity for implementation of integrated strategies to ensure gender equality and women's empowerment (5.5), build infrastructure to promote industry, trade and regional integration (9.1), improve incomes for the bottom 40% (10.1), and build public sector capacities and institutions for economic and political stability (16.6).
- ✓ Lesotho has also identified policy actions in Social Protection and Jobs as priority to ensure impact and transformation for the SDGs.
- ✓ Changes and adjustments will be necessary to deliver the required transformation and acceleration for SDGs in the remaining period. In consultation with national stakeholders, the Government has identified a mix of policies and policy actions to ensure acceleration and prosperity for all, while closing gaps on inequalities, and promoting stewardship for nature. These new vision demands creation of new regulatory environment to aid cohesion and prioritisation, deployment of new technologies, strengthening governance frameworks, mobilising financing resources. The NSDP II remains the primary tool for delivering Lesotho's commitments and policy actions for transitions in SDGs, with consideration to the global processes for acceleration and transformation.

Therefore, Lesotho commits as follows:

Target 5.5: Ensure women's full and effective participation and equal opportunities for leadership at all levels of decision-making in political, economic and public life

- Prioritize integrated approaches to promote gender equality and women's empowerment and create greater opportunities, especially for young women.
- Develop robust social protection programs targeting women, leveraging the potential of the digital program that will empower women by enabling them to succeed in the future of work, access essential digital services including those for education and healthcare, and increase their civic and political engagement

Target 8.5: By 2030, achieve full and productive employment and decent work for all women and men, including for young people and persons with disabilities, and equal pay for work of equal value.

- Address underrepresentation of women in digital start-ups to promote diversity and inclusivity in the private sector development.
- Support agriculture, micro, small, and medium enterprises (MSMEs), the textile industry that is highly reliant on functional global value chains
- Provide employment to the poor, especially women and men, and people with disabilities to reduce poverty and inequality and strengthen skills and employability of the youth while ensuring a gender nuanced approach.
- Create enabling environment for the digital economy, driving digital transformation and demand by strengthening public sector platforms and infrastructure;
- Strengthen the digital ecosystem through digital skills and entrepreneurship.
- Accelerate the implementation of key legal and regulatory financial sector reforms, together with the rollout of digital financial services to expand inclusion;

Target 9.1: Develop quality, reliable, sustainable and resilient infrastructure, including regional and trans-border infrastructure to support economic development and human well-being, with a focus on affordable and equitable access for all

- Provide adequate access to affordable and reliable infrastructure such as electricity, water, waste management, transport and connectivity to spur economic diversification
- Spur industrialization and economic diversification to encourage domestic and foreign investment in agriculture, manufacturing, technology to drive shared economic growth
- Enhance connectivity and integration into value chains could benefit from better leveraging proximity to South Africa's more modern and developed infrastructure.

Target 10.1: By 2030, progressively achieve and sustain income growth of the bottom 40 percent of the population at a rate higher than the national average

- Increase production, marketing information skills and public sector engagement to promote agricultural commercialization and agribusiness development as pathways for accelerating economic growth for Lesotho's rural poor
- Strengthen communities' involvement in the management of schools, provide learning aids and utilities in rural and urban schools equally, and several existing initiatives and extracurricular programs to support boys and girls to stay in school.
- Ensure access food, health care, social protection, education, and land, including removal of income disparities existing in the country.

Target 16.6: Develop Effective, Accountability and Transparent Institutions at all levels

- Implement and automate more robust business processes, enhance Human Resource Management Information System with interfaces to the National ID and Civil Registry and Integrated Financial Management Information Systems (IFMIS) to strengthen the efficiency of public spending and lay the foundation for better staff deployment and performance management.
- Accelerate implementation of National Reforms Agenda for improved governance and public trust in public institutions in Lesotho.

Cross Cutting Commitment

- Capacitate and strengthen the Bureau of Statistics to effectively collect and compile relevant and up-to-date data to benchmark all the SDG targets.

3. Benchmarks for SDG Investment

- ✓ The Government of Lesotho is committed to reduce poverty by addressing its underlying causes. It will pay special attention to the most vulnerable groups including women, children, youth, elderly and people living with disability as well as closing the rural – urban disparities.
- ✓ The government has put in place a broad and inclusive social protection programme that bridges gaps in income levels, access to education and health services to the low-income households and vulnerable population groups and has prioritised private sector led economic growth and jobs creation as rallying objective for its 5-year development plan. As a result, the rate of poverty and inequalities, have marginally reduced from the 2002 levels of 56.7% to 49.7%, in 2019.
- ✓ Vulnerability remains high, and it is the primary cause for persistence and transmission of poverty and inequalities across generations, especially affecting people in the rural areas and vulnerable groups such as women, the elderly and young children. The legacies of COVID-19, evidenced by slow to stagnating performance in key economic sectors and job losses, has depressed the economy further. Projections indicate that the economic growth will plateau at 3% in the medium term, which is lower than the rate expected to impact on poverty in the country.
- ✓ As such, it is urgent for the country to put up measures to tackle the constraints for eradicating poverty among the most vulnerable groups and identify the high impact transitions that may lead to economic transformation and help accelerate attainment of the Sustainable Development Goals.
- ✓ Lesotho will reduce the proportion of people living below the national poverty line from 49.8% in 2016/17 to 43.8% in 2026/27 by and bridging inequality by targeting reduction of GINI Coefficient from 0.45 in 2016/17 to 0.40 in 2026/27.
- ✓ This will be achieved by strengthening the current social protection system to be more adaptive and inclusive and intensify the actions to generate jobs that are productive and can also trigger important spill over effects on the economy as much as in the wellbeing of the most vulnerable. The government has taken a bold stance on agriculture and food security, as one of the identified drivers for growth and jobs, by promoting investments and mobilising youth and private sector into the sector, to reduce vulnerability, food insecurity as well as unlock trade opportunities. Steering a private sector led growth, will also require skilled labour, high human capital capability, which will require adequate child nutrition and health, infrastructure, and good governance structures to catalyse and create incentives for transformation.
- ✓ The ongoing reforms are a critical vehicle to anchor the intended action on the Sustainable Development Goals, to stabilise economic and political governance and help propel Lesotho government to inclusion and prosperity. The government will set up public digital infrastructure to accelerate adoption of digital technologies, catalyse innovations and action in the key economic sectors, including skills development, and accentuate public service delivery and accountability.

4. National Institutional arrangements for delivering the Goals

- ✓ The multi-level National Coordination Structure and institutional framework on Sustainable Development has been established.
- ✓ It has two core level players: The core team that comprises the High-Level Oversight committee on SDGs (Parliamentary Oversight) and works through the Steering committee chaired by the Minister of Finance and Development Planning and the technical team that comprises the National Technical Coordination Committee, the Technical Working Groups (TWGs), District SDG WGs and community focal persons and cross cutting representatives from gender, environment, youth, people with disability and climate change.
- ✓ The specific roles and responsibilities of the coordination include but are not limited to:

- Increasing oversight and strategic guidance to implementation and evaluation of the SDGs in Lesotho;
 - Reinforce the domestication and monitoring of SDGs in NSDP II objectives and Sector Plans;
 - Effectively prepare annual progress reports on SDGs as well coordination of Voluntary Reviews for Lesotho;
 - Consolidate efforts for multi stakeholder engagements in the policy planning cycle including SDGs planning;
 - Lay strategies for leveraging additional financing for SDGs both domestically and externally.
- ✓ A system that encompasses all-of-government and all-of-society approaches will be strengthened to mobilise recommitment among national stakeholders, coordinate implementation and action which will facilitate oversight and foster mutual accountability for the Agenda.