



LESOTHO

TRACK II

Investigating the links between cash-based shock-responsive social protection and anticipatory actions for drought in Lesotho:
A study undertaken as part of the scoping research for drought Forecast-based Financing

**Forecast-based Financing
Southern Africa Project (SAP)**





*“Drought should never be
a surprise to anybody.”*

– Pauline Mufeti,
Deputy Director of Hydrology in Namibia



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with support from



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TABLE OF CONTENTS

EXECUTIVE SUMMARY	7
1. INTRODUCTION	9
2. METHODOLOGY	10
3. DROUGHT RESPONSES USING SHOCK-RESPONSIVE SOCIAL PROTECTION IN OTHER COUNTRIES	12
4. OVERVIEW OF LESOTHO’S SOCIAL PROTECTION SYSTEMS	14
A. NATIONAL POLICY AND INSTITUTIONAL CONTEXT	14
B. NATIONAL DATABASE	16
C. SOCIAL PROTECTION PROGRAMMES	17
D. STAKEHOLDER MAPPING OF SOCIAL PROTECTION ACTORS	21
E. COMMUNITY PERCEPTIONS OF SOCIAL PROTECTION SCHEMES	22
5. PREVIOUS EXPERIENCE OF SHOCK RESPONSES USING SOCIAL PROTECTION	24
A. OVERVIEW	24
B. IMPLEMENTATION	25
6. FINDINGS	27
A. GENERAL FINDINGS ON SOCIAL PROTECTION COMPONENTS	27
1. Shocks and crisis relevant for social protection	27
2. The policy and institutional context for SP, DM & humanitarian response	27
3. Existing systems and databases, management, and access	27
4. Transfer values	28
5. Targeting	28
6. Payment delivery mechanism	29
7. Grievance mechanisms	29
8. Coordination	30
8. Data sharing and data protection	30
9. Community and local government perceptions of SP programmes	31
B. FEASIBLE CASH-BASED EARLY ACTIONS FOR DROUGHT	32
C. POTENTIAL USE OF SOCIAL PROTECTION FOR CASH EARLY ACTIONS	33
1. Early Action: Anticipatory Unconditional Cash Transfers (UCT)	34
2. Early Action: Anticipatory Cash-for Work (CfW) programmes	35
D. FEASIBILITY OF USING CASH AND VOUCHER ASSISTANCE	37
1. Assessment of pre-contracting FSPs and community preferences	37
2. Assessment of access to functioning markets	37
3. Assessment of well-defined transfer values	38
4. Assessment of the cash capacity of the LRCS	38
6. CONCLUSIONS	40
7. RECOMMENDATIONS FOR THE NEXT PHASES OF THE PROJECT	41
A. SHORT-TERM	41
B. MEDIUM-TERM	42
C. MEDIUM / LONG-TERM	43
8. REFERENCES	45
ANNEX 1 NATIONAL SOCIAL PROTECTION STRATEGY IMPLEMENTATION PLAN	46
ANNEX 2 LESOTHO SOCIAL PROTECTION PROGRAMMES	48
ANNEX 3 YOUTH EMPLOYMENT PROGRAMMES IN LESOTHO	58

EXECUTIVE SUMMARY

Drought in Lesotho is one of the most recurrent climate hazards that continues to affect lives and livelihoods, with severe impacts on the economy. Given Lesotho's high vulnerability to climate change social protection programmes and their delivery systems could be important tools to build in emergency procedures and mechanisms to be able to respond flexibly and quickly to shocks. This study has been undertaken to understand the role of existing social protection (SP) programmes in the country in mitigating drought impacts and to scope the feasibility of such programmes for taking anticipatory action. The study analyzed which programmes have been used in the past for shock responses and which have the potential to be used for future drought shocks. The study follows a qualitative approach of research, with a combination of primary data collected through interviews and focused group discussion, and secondary data collected through extensive desk reviews.

The study finds that the Child Grants Programme (CGP) is the most used programme for responding to shocks, primarily due to the comparatively accurate, updated, and extensive data available in the National Information System for Social Assistance (NISSA) for targeting households with children. Other programmes like the Old Age Pensions (OAP), national Public Works ("*Fato-Fato*") and Public Assistance (PA) have been used by different actors to respond to socio-economic impacts arising from Covid-19.

The findings reveal that four groups are most vulnerable to droughts and in need of support as they are currently not covered by national safety nets: a) old people between 60–69 years of age are not covered by the OAP and are not included in national Public Works or CfW projects; b) subsistence farmers who rely heavily on rain-fed agriculture; c) unemployed adults, particularly youth; d) pregnant and lactating women.

In terms of shock response and acting in anticipation, there are two entry points within the social protection system in Lesotho. Firstly, Unconditional Cash Transfers (UCTs) can be distributed in advance either through the CGP, OAP or the PA and expanded vertically using top-ups, or by creating waiting lists of beneficiaries who are particularly drought-sensitive and expanding the UCTs horizontally to increase coverage temporarily during the shock. The Ministry of Social Development (MoSD) district offices, auxiliary social workers based in community councils and the Lesotho Red Cross Society (LRCS) can be key players in generating these waiting lists through community-based targeting methods. Secondly, national Public Works programmes can make use of the long-term nature of slow onset hazards like droughts, and build infrastructure that maximizes the harvesting of limited rainfall through check dams, farm ponds and infiltration lines, etc. The study finds that national Public Works programmes are popular among the community because they provide seasonal employment, and communities express the desire to work for their communities rather than to receive hand-outs.

With regards to coordination among actors, interviews with most in-country stakeholders – including the MoSD, Disaster Management Authority (DMA), UNICEF (the United Nations Children’s Fund), Food and Agriculture Organization (FAO) and World Food Programme (WFP) – revealed a high level of interest and enthusiasm in collaborating towards the further integration of forecast-based action with social protection programming. This study recommends that national level consultations with relevant stakeholders should take place soon to jointly find ways to implement some of the existing outputs of the programme in Lesotho funded by European Civil Protection and Humanitarian Operations (ECHO), including harmonizing transfer values, targeting, updating the NISSA database and developing an early action protocol along with a scalability framework. The formation of a national SP Technical Working Group to coordinate the next steps could be a good starting point.

1. INTRODUCTION

Within the framework of the Forecast-based Financing (FbF) Southern Africa Project (SAP), the German Red Cross (GRC) currently supports the introduction and expansion of FbF into countries across southern Africa until December 2022. This includes countries like Lesotho, Mozambique, Eswatini and Namibia. This report is part of the drought scoping study undertaken in Lesotho to conduct drought risk assessments and drought vulnerability and historic impact analyses in addition to drafting feasible drought-trigger and early actions for drought FbF in Lesotho. The scoping study comprises Track I on understanding drought vulnerability and exposure as well as historical drought impacts; Track II on community-level enhanced vulnerability and capacity assessments (EVCA) that focus on shortlisting feasible drought early actions as well as compiling an inventory of forecasts and an assessment of the feasibility of cash and shock responsive social protection for drought; and Track III on developing drought early action protocol (EAP) scenarios and closing the information gaps identified in Tracks I and II.

The Track I report identified that the Government of Lesotho (GoL) has invested considerably in the establishment and maintenance of social protection programmes in the country. Different components of these programmes have been used in the past for drought response in Lesotho. For example, the social registry database, also known as NISSA has been used extensively over the years for the identification of vulnerable groups in need of support.

The Track II report presents a comprehensive overview of the current social protection systems¹ in Lesotho and analyzes whether some of their components could be used to respond to climate-related shocks like droughts, by being integrated within the FbF project that is currently underway in Lesotho. Assessing the feasibility of using SP components for taking anticipatory action will help to understand how existing SP schemes in Lesotho can be scaled up to deliver forecast-based early actions and minimize losses.

1 The term 'social protection systems' refers to the whole range of social protection policies and programmes, actors and institutional mechanisms, payment channels and databases and any other component that work together to ensure vulnerable groups have the support they need to deal with shocks.

2. METHODOLOGY

The purpose of this report is to better assess the feasibility of SP systems in Lesotho to respond to shocks from slow onset hazards like droughts. The main objective is to present how SP systems in Lesotho have been used for shock responses in the past and, based on these learnings, find entry points for combining different components of these systems with FbF. The expected outcome is an outline of key learnings on the viability of using SP schemes in Lesotho to be flexible and scalable, while optimizing anticipatory actions as well as the post-event response to droughts. The central research questions that have been used to guide the study are:

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- I. Are the current SP schemes in Lesotho able to effectively cover the drought- affected vulnerable groups?
 - II. Is the integration of FbF-type Early Warning, Early Action (EWEA) into cash-based SP systems a viable approach to reducing drought risk in Lesotho?
 - III. What is the capacity and opportunity for LRCS to engage with Lesotho's SP systems to advocate and coordinate cash-based early actions in the future?
-

The research methodology follows a qualitative approach to data collection, drawing on secondary data analysis as well as primary data collection through in-country assessments. The different stages of the data collection and analysis phase are described below:

- 1) Conducting a comprehensive desk review of existing literature including government, donor, academic and humanitarian publications and reports, country profiles, excerpts from guidelines and toolkits, data from LRCS cash programmes, current coverage of SP programmes etc.
- 2) Preparing an initial report on the literature review and initial findings, which underwent internal review by LRCS members as well as the GRC and Red Cross Red Crescent Climate Centre team.
- 3) Developing interview guides for all relevant stakeholders to collate first-hand information on how the current SP systems are performing, what plans different actors have for future drought response and the intention of actors to engage in the FbF-Shock Responsive Social Protection (SRSP) process.
- 4) Conducting Key informant interviews (KIIs) and focus group discussions (FGDs) at the national, district and community level using the semi-structured interview guides developed in the previous step.
- 5) Combining the data collected into a report for internal and external data validation. The validation sessions will be used as a platform for data triangulation and will be complemented by follow-up interviews with relevant stakeholders for gap filling.

The study was carried out in June and July 2021 in three community councils, each selected from three districts. The sampled districts and community councils included Leribe (Maoamafubelu CC), Mafeteng (Qibing CC) and Thaba-Tseka (Linakeng CC). Purposive sampling was used to select the districts and communities (villages) based on their relative vulnerability to drought, the livelihoods practiced and their geographical locations (Senqu Valley, lowlands, foothills, and mountainous regions).

A total of 48 FGDs and nine KIIs were conducted in 12 villages to form an in-depth understanding of drought risks and impacts.

At district level, three stakeholders' consultations and workshops with District Disaster Management Teams (DDMT) were used to collect comprehensive information on risk, vulnerability, coping mechanisms/adaptation, weather forecasting and the prioritization of Early Actions.

At the headquarters level, seven KIIs were conducted with national level stakeholders from the MoSD, DMA, UNICEF, WFP, and FAO.

The findings from the interviews and desk-based research of secondary literature underwent two rounds of validation: a) an internal validation workshop was organised to share social protection related early action recommendations with project staff working on the different tracks in the study as well as the National University of Lesotho (NUL); and b) external validation meetings were held with different stakeholders such as UNICEF, WFP, FAO and LRCS. Feedback from both rounds of validation have been incorporated into this final report.

3. DROUGHT RESPONSES USING SHOCK-RESPONSIVE SOCIAL PROTECTION IN OTHER COUNTRIES

Strengthening SP systems to become shock responsive includes ensuring that programmes continue to perform their regular functions without disruptions during and after a shock and can adapt and scale-up to respond to increased needs. To avoid delays in response using SP systems, Early Warning Systems (EWS) are particularly relevant even though these are often under-financed by humanitarian fundings (UNICEF, 2019). This feasibility study on the potential of using existing SP system components in Lesotho to take anticipatory action, aims to improve the understanding and the lack of evidence/research on whether SP policies and programmes can be relevant for acting in advance based on forecasts and trigger models.

The literature on the effectiveness of social safety nets to respond to shocks and build resilience has, so far, been limited. A recent study on Niger's government-led, multi-year UCT programme has shown that cash transfers have considerable impacts in extremely poor contexts, where households face high exposure to climatic shocks (Premand and Stoeffler, 2020). Mostly noticeable for households faced with drought shocks, the programme has shown that regular cash transfers increase household consumption and facilitate savings and income smoothing over the long-term.

More recently, an Oxfam study in Somalia and other countries in the Horn of East Africa has shown that critical water needs during severe dry seasons and droughts cannot be addressed by temporary humanitarian interventions like water trucking. Instead, market-based approaches that use cash transfers at the community and household levels were found to be more appropriate for meeting water needs (Oxfam, 2020).

The Hunger Safety Net Programme (HSNP) in Kenya is an example of a UCT programme that scales up to provide emergency cash transfers to vulnerable groups when faced with drought and flood-related shocks. To address food insecurity and income poverty arising from droughts, these emergency transfers scale-up horizontally and vertically using the Vegetation Condition Index (VCI) for geographic targeting as well as proxy means tests (PMT) for targeting households. Despite the overall success of increasing consumption levels during droughts, impact evaluation studies have shown that there is lack of trust in these VCI and PMT methods for targeting among the beneficiaries as well as district officials due to the lack of participatory methods involved in targeting beneficiaries (NDMA, 2016).

The Productive Safety Net Programme (PSNP) in Ethiopia, similar in terms of long-term food security objectives, also incorporates a contingency budget. When that is exhausted, the Risk Financing Mechanism (RFM) is used to cope with shocks that are transient for additionally vulnerable groups such as farmers who may not be traditionally included in the PSNP (Hobson and Campbell, 2012).

The literature here provides a brief glimpse into the existing challenges and opportunities for SP systems in taking anticipatory action. While there is evidence that SP systems can improve food security outcomes for vulnerable groups, other aspects – like targeting, fundings and institutional buy-in – are crucial elements to consider when assessing the feasibility of SP to become shock-responsive, especially for slow onset hazards like droughts.

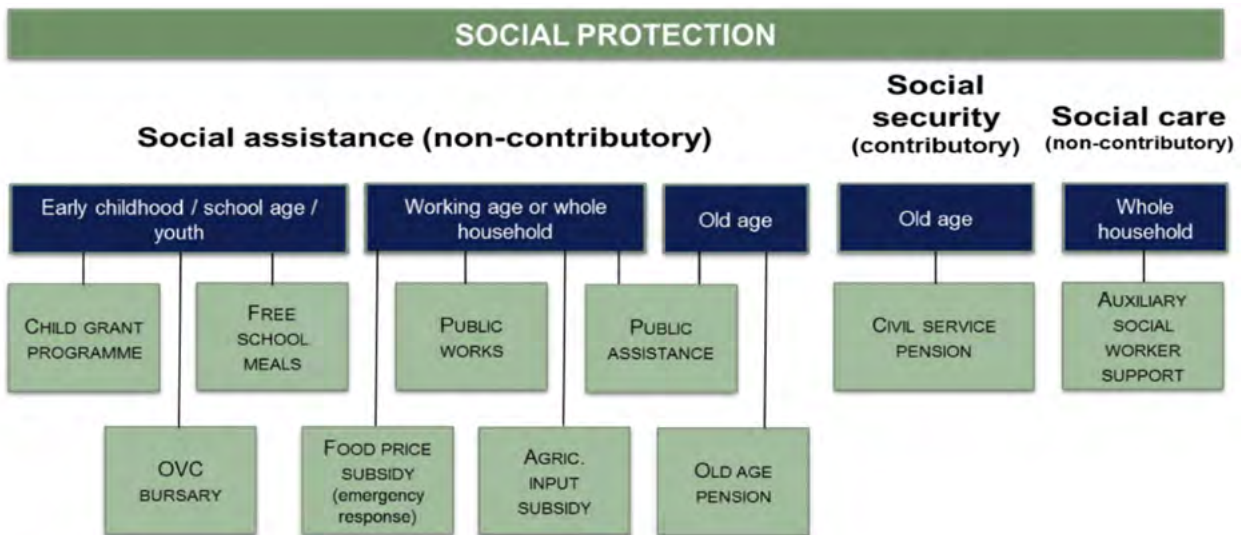
4. OVERVIEW OF LESOTHO'S SOCIAL PROTECTION SYSTEMS

A. NATIONAL POLICY AND INSTITUTIONAL CONTEXT

The right to SP is enshrined in the Lesotho constitution, which establishes the government's responsibility to actively promote and maintain the welfare of its citizens. The National Social Protection Strategy (NSPS 2014/15–2018/19) for Lesotho, developed by the MoSD is a key strategic document to guide the sector's development. One of the primary objectives of the NSPS is to ensure *"linkages of all SP programmes for increased efficiency and effectiveness; and to integrate and harmonize operational systems for the effective implementation of SP programmes across Government."*

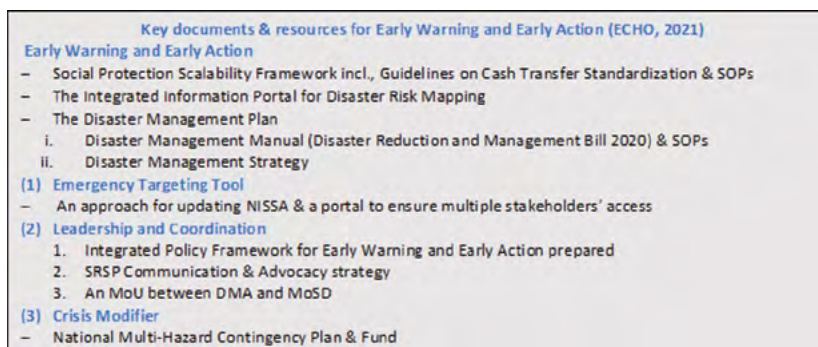
Within the NSPS, the **Public Assistance** grant is envisaged as the main SP instrument to **be used for temporary, emergency support**. See Annex 1 for an overview of the NSPS Core Social Protection Implementation Plan (vision to 2025). The NSPS established a National Social Protection Cabinet Committee (NSPCC), and its Technical Committee, chaired by the MoSD Director of Planning has working groups on pregnancy/early childhood, school age/youth, working age, old age, disability/chronic illness, and shocks, however according to the World Bank (2021), only the group **focusing on shocks, chaired by the DMA is operational** as it's based on a pre-existing coordination mechanism.

FIGURE 2.



Multiple ministries administer safety net programmes, for instance, OAPs are administered by the Ministry of Finance, whereas Child Grants and Public Assistance by the MoSD and, to date, operate largely separately. This makes coordination on both the policy and administrative levels challenging. Each ministry involved has its **own application process** – mostly **manual and paper-based** – for eligibility determination, intake/registration and information management leading to significant inefficiencies and administrative duplication. It can take months for applications to be approved I.e. to apply for the Public Assistance programme, an application form must be filled at the district office accompanied by a letter from the village chief.

Since the 2016 drought, significant efforts have been made to link the DMA to SP and to harmonize across the different sectors. The World Bank and the EU, as major donors, have provided long-standing support to the development of SP programmes in Lesotho and one of the most important, recent initiatives was the **ECHO-funded Programme “Strengthening Disaster Preparedness and Response Systems in Lesotho”**. The box below describes the four main objectives of the project, together with the key outputs described in its final report. This document is to be considered as **key reading** to anyone working in the EWEA and SP sector in Lesotho.



Lastly, according to the World Bank (2021), UNICEF recently commissioned a Harmonization Strategy to guide earlier work on an Integrated Social Safety Net (ISSN) designed in 2014 including four main cash social assistance programmes (CGP, OAP, PA, OVC). The idea is to use common payment, targeting (NISSA-CBT) and MIS systems. *It also proposes to restructure the **PA programme** to become a **short-term shock responsive program** to protect households against both idiosyncratic and systemic shocks.*

B. NATIONAL DATABASE

The NISSA was developed in 2010 to support the accurate targeting, delivery of payments and monitoring and evaluation (M&E) of the CGP, which was mainly aimed at reducing the impacts of poverty, food insecurity and HIV on children. While this started as a registry and database for beneficiaries of CGP, it has recently been used by different actors and programmes to respond to **shocks** such as the 2012 drought emergency (horizontal and vertical targeting) as well as during the Covid-19 pandemic for the distribution of EU support funds².

NISSA adopts a **census** approach, with two tablet-based data collection methods:

1. 1. The application of the PMT formula that assigns a poverty score for each household. The NISSA form contains 55 questions, including the **Global Positioning System** coordinates of each household (HH).
2. Participatory poverty categorisation using the **Community Based Categorisation Manual** (CBC) and the Wellbeing Chart (SiQ³):
 1. *Mohloli-hloli* Ultra Poor
 2. *Mohloli* Poor
 3. *Ea Mahareng* Moderate
 4. *Ea Khonang* Those who are able

In 2021, the NISSA database completed the registration of all Lesotho's approximately **540,000 HHs** across **12 urban** and **64 rural councils** in Lesotho. NISSA has the potential to become a single registry for all social assistance (and social security) programmes, with plans to link it directly to Lesotho's new national identity system and civil registry which is currently being rolled out by the Ministry of Home Affairs.

The MoSD collaborates with the DMA, UNICEF, FAO, WFP under the abovementioned ECHO-funded project to strengthen disaster preparedness in Lesotho. One of the main objectives of this project is to ensure the capacity of the MoSD to implement the NISSA database as the main targeting tool for shocks. The MoSD currently updates the NISSA Portal to ensure easier and faster access to NISSA data for partners to improve its data usage (Lesotho Prime Minister, Hon. Dr Moeketsi, Majoro, 2021)⁴ with a **clear request to humanitarian and development actors to use NISSA** for beneficiary targeting in any project design.

2 The EU and UNICEF have a tripartite agreement with the GoL to support NISSA development

3 <https://www.siq.co.za/nissa.php>

4 <http://www.socialdevelopment.gov.ls/documents>

NISSA Portal to ensure stakeholders' access and use of data as a **targeting tool** during normal and emergency situations:

- (i) A mobile application to validate the Community Based Categorization (CBC) & variables are used in calculating PMT scores for HH with conflicting CBC & PMT scores. The list of HH with inconsistent results is loaded onto tablets for **validation by social workers**. The updated HH categorization and PMT variable values are synchronized to the NISSA database, and a new PMT score computed.
 - (ii) The portal allows for continuous enrolment of HH, through the enrolment module. Social workers **can both enroll new HH** and **update exiting HH information**. This allows for direct assessment of eligibility of a HH for SP programmes.
-

C. SOCIAL PROTECTION PROGRAMMES

Lesotho has several safety nets designed to cover a wide range of social risks and vulnerabilities and the GoL spends a considerable part of the state budget – accounting for about 4.5 per cent of Gross Domestic Product – with significant impacts on the reduction of poverty and inequality (World Bank 2019); nearly triple the average for sub-Saharan Africa. Lesotho is also one of the **first African countries** to institutionalize social cash transfers, introducing non-contributory **OAPs** in 2004 and **child grants** for orphans and vulnerable children in 2009. Programmes generally include the provision of cash and food for beneficiaries, covering most of their food and non-food requirements (Lesotho DMA, 2019). A key feature of SP in Lesotho is that most programmes are funded by the government itself, with development partners providing technical support to programmes and the overall system. Other important social assistance programmes include **PA, PW** (cash for community construction, rehabilitation work) and **disability grants** for people with disabilities (PwDs).

The impact of Lesotho SP programmes on poverty is strong. According to the World Bank, in 2017, social assistance transfers **reduced the poverty gap by 21.9 per cent** (a 5.3 percentage point reduction) and in doing so, the poverty-reducing impact of Lesotho's social assistance system ranks ahead of the average of 15 per cent for sub-Saharan African countries (World Bank, 2019).

However, except for pensions⁵, existing SP programmes are **limited** in the degree to which they help HHs **mitigate the impact of shocks**. This was confirmed in a recent study on Child Grants (see Annex 1) indicating that the nature of multi-dimensional poverty means that grants are unable to buffer from any additional covariate shocks. This means that SP programme recipients will require additional support in the event of a shock or likely fall into negative coping mechanisms.

See the next page for an overview of each of the programmes. The stakeholders, programme size, benefit levels and eligibility can be found in Annex 2.

5 World Bank (2008) notes pensions protect elderly subsistence farmers from low rainfall impacts

Lastly, the World Bank (2021) identified the following gaps in social protection response:

High vulnerability area	Limited response
» Very high youth unemployment	» Multiple low coverage, boutique programs among multiple implementing agencies. No coordinated response.
» Large number of poor households especially in rural areas	» Limited coverage of the CGP program with low benefit levels
» Lesotho is highly vulnerability to weather shocks	» Drought early warning system, use of social assistance platforms to respond, rural cash for work
» Urban poverty	» Although rural poverty is higher, over twenty percent of the poor live in urban areas, with the share of urban population rising.
» Those exposed to the new COVID shock	» The early onset (lockdown) hit hardest the sectors not previously targeted by social assistance, like formal sector and industrial workers, remittance receiving households, informal sector traders. Secondary effects coming from reduced remittances, and returning migrant workers affected rural areas.

Overview Lesotho's Social Assistance Programmes

	PROGRAMME	MINISTRY (FUNDING)	DESCRIPTION	COVERAGE (% OF TARGET GROUP)****	BENEFIT (CASH IN ENVELOPE)	POTENTIAL EA TARGET GROUP COVERED?
CHILD	Child Grant (CGP)	MoSD (EU, gov) UNICEF tech support	Cash grant Poor HHs with min. 1 child under 18 Targeting: PMT + CBT Ultra-Poor in NISSA	41,049 HHs 90,821 children All 10 districts (11%)	1-2 children M360 /quarter (26 US dollars) 3-4 children M600 /quarter (43 US dollars) 5+ children M750 /quarter (54 US dollars)	Female or orphan headed HHs; women esp. adolescent girls; adolescent boys; HHs living in poverty*; subsistence farmers*; people living with HIV/AIDS and/or tuberculosis (TB)*
	Orphans and vulnerable children (OVC) Bursary		OVCs under 18 in secondary school Lost 1-2 parents, or parents sick, disabled, in prison, considered need Bursary includes various school fees Targeting: PMT + CBT	23,845 children (11%)	Amount varies. Payment made to secondary schools	Female or orphan-Headed HHs; women esp. adolescent girls; adolescent boys
	National School Feeding	MoET*** & WFP	1-2 free meals to all primary children	390,000 primary 50,000 pre-school (100%)		

TRACK II

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	PROGRAMME	MINISTRY (FUNDING)	DESCRIPTION	COVERAGE (% OF TARGET GROUP)****	BENEFIT (CASH IN ENVELOPE)	POTENTIAL EA TARGET GROUP COVERED?
HH/ ADULT	Public Assistance	MoSD	The oldest social assistance prog: 1. Permanent Assistance, 2. Temporary Assistance Destitute individuals OVCs, severely disabled/ill, elderly.	12,710 people (6%)	Monthly cash transfer, in-kind, food, medical expenses. M250 (18 US dollars) temporary cash amount / person/ month for 6 months. Determined & delivered by social welfare officers	HHs Living in Poverty Living with HIV/AIDs and/or TB Elderly (> 60 Years)
	National Public Works	MoFRSC***	Conservation-related activities, able-bodied, not poverty-related, self-targeted 1st come-2nd served basis.	115,000 people/year (20%)	M960 /month (70 US dollars) for 1 month/year max. Due to increase	Not poverty / vulnerability-related - only the poorest apply. Good for community-based EA
	Agriculture Input Subsidy		Subsidized seeds/ fertilizers to farmers	Unclear	M160 + 50 kilograms of fertilizer	Subsistence farmers
ELDERLY	Old Age Pension (OAP)	MoF ***	Persons over 70. Not receiving a government pension	85000 (2016) All 10 districts (100%)	M750 /month (54 US dollars)	Elderly (> 60 Years), subsistence farmers** (higher payment, less coverage)
SHOCKS	60-69 years of age, Covid-19 relief fund for older people	MoSD	Launched in October 2020 by the PM. Targeting 60-69-year-olds (too young for OAP)	35,000 All 10 districts	M831 for three consecutive months from December .2020. 1 person/HH	

* If children are in the HH

** Potentially, as many farmers are elderly

*** Ministry of Social Development (MoSD), Ministry of Finance (MoF), Ministry of Forestry, Range and Soil Conservation (MoFRSC), Ministry of Education and Training (MoET)

**** Source: ASPIRE. CGD coverage is based on 2017 data but by late 2020 expanded to over 120,000 children

D. STAKEHOLDER MAPPING OF SOCIAL PROTECTION ACTORS

A wide range of actors are involved in the social protection ecosystem of Lesotho and operate at different levels from national to community. Understanding the role of each of the actors, the coordination processes among them and their institutional objectives and inclinations are crucial in understanding the feasibility of using social protection systems for shock responsiveness. Based on our findings, the table below lists the different actors who can potentially be relevant for the design and implementation of early action protocols for droughts when using social protection as part of the anticipatory response.

INTERNATIONAL	NATIONAL	DISTRICT	COMMUNITY
1. European Union	National Disaster Management Team (NDMT)	District Disaster Management Teams (DDMT)	Community Based Disaster Response Teams (CBDRT)/ Village Disaster Management Teams (VDMT)
2. World Bank			
3. UNICEF	Ministry of Social Development (MoSD)	Ministry of Local Government (MoLG)	Community Councils Chiefs and Auxiliary Social Workers
4. FAO			
5. WFP			
6. Catholic Relief Services			
7. GIZ	Ministry of Finance (MoF)		
8. World Vision			
	Lesotho Red Cross Society		

E. COMMUNITY PERCEPTIONS OF SOCIAL PROTECTION SCHEMES

Qualitative research by Ansell *et al.* (2019) looking into the way that two Lesotho cash transfer schemes – the **OAP** and **CGP** – are designed, operate and affect rural lives in the Maloti Mountains, where households are dependent on subsistence agriculture, livestock rearing and remittances from migrant workers, found that the **high level of fluidity** of movement of individuals and resources meant that changes in circumstances were **not adequately captured**, i.e., children moving between households and young people migrating for work. Indeed, Ansell *et al.* tested CGP criteria, applied a multi-dimensional Poverty Index and in both settings **identified deserving HH not in receipt of CGP**. This created a sense of **arbitrary targeting** and resentment, highlighting the **importance of community-based verification** in the absence of regular national data collection. Essentially, cash transfers cannot keep pace with such rapid changes. Indeed, the evidence presented earlier by Carraro & Ferrone (2019) via data from the CGP confirms that targeting specific vulnerable individuals or groups may have watered-down results as we can expect grants to be shared amongst social networks.

Lesotho's OAP was universally praised and perceived as fair and “deserved”, partially because elderly people cannot be expected to work, are known to support the extended family, sometimes in exchange for chores, but also because of their contribution outside the household “*as employers, lenders and key members of savings groups, in contrast to Child Grants spent on immediate family needs such as groceries and school uniforms...*”. This was confirmed by the LRCS that highlighted the high number of HIV orphans and unemployed adults being supported by pensions, adding that **many subsistence farmers are elderly**. Interestingly, “*unearned transfers to young adults promote stigma and social isolation; young people want to work. While pensions are viewed as enabling the elderly to live more independently, child grants are viewed less as grants for children than income for healthy young adults who should rightfully work*” (Ansell *et al.*, 2019).

Research highlighted the **stigma** of receiving “free money”, young men said instead it would be meaningful if “*they could be paid to work on projects such as bridge building, road repairs or land rehabilitation in their local area, thus also helping to uplift their communities*”. Correspondingly, previous **Public Works Programmes** were particularly praised, and many felt that **community funds** to benefit the whole community would be fairer.

Lastly, Ansell *et al.* flagged the stress of the intermediary role of the Chiefs in Lesotho when “Maseru” makes different decisions (later explained by budget limits) on who should be enrolled in SP programmes, “*While lacking a formal decision-making role in any of the schemes, and feeling powerless consequently, Chiefs were viewed suspiciously by community members and expected to resolve difficulties*”. For FbF programming this highlights the **importance of careful Community Engagement and Accountability (CEA)** processes to engage and communicate on cash-based early action response options.

Based on this background on the policy context, actors, national database and existing programmes on SP, the following section will focus on outlining how these SP system components have been used for shock responses in the past. In this study, we mostly focus on social assistance schemes and their relevance for effective drought response. This is because social insurance in Lesotho is mostly limited to those who are engaged in formal employment and receive pensions, or some limited assistance for sickness, maternity, and unemployment. Given that the Track I report revealed that groups vulnerable to droughts rarely belong in formal employment, this feasibility study has only analyzed the feasibility of using non-contributory schemes for drought responses.

5. PREVIOUS EXPERIENCE OF SHOCK RESPONSES USING SOCIAL PROTECTION

A. OVERVIEW

PROGRAMME	EL NIÑO 2015/6 DROUGHT RESPONSE	COVID-19 RESPONSE
CHILD GRANT PROGRAMME (CGP)	<ul style="list-style-type: none"> Vertical expansion of the CGP to 26,000HH with cash top-ups to existing beneficiaries Piggybacking on the CGP beneficiary list: FAO distributed seeds; CRS provided seeds and vouchers Also to 2019/20 drought tops-ups were given to 28,000HH and expanded to 10,000 new HH 	UNICEF (EU) top-up to for 50,000HH World Bank top-up to 92,000 people by horizontal and vertical expansion
PUBLIC ASSISTANCE (PA)	Not considered by actors at the time	WFP horizontal expansion of the PA in 5 urban councils + 2 rural councils ⁶ to 8000HH of M831/HH. NISSA + social workers identified “very poor” and “poor” + WFP food security indicators.
PUBLIC WORKS (PW) “FATO-FATO”	Building water structures, dams, streams	WFP supported the MoFRSC to implement a shock responsive PW programme, which was expanded to more participants during the crisis.
OLD AGE PENSION (OAP)	Not considered by actors at the time	No data
SCHOOL FEEDING	Not considered by actors at the time	Design tweak – children given packages to take home
OTHER	Government introduction of a food subsidy on 06.2016 to reduce the price of maize, sugar beans, split peas by 30% for one year	No data
NEW EMERGENCY FUND (MOSD)		The Prime Minister launched the 60–69 year olds’ Covid-19 Relief Fund for Older People (data from NISSA)

For responding to emergencies, including droughts, **most actors use the NISSA database** to identify HHs in need of assistance. NISSA data is overlaid with the DMA’s Lesotho Vulnerability Assessment Committee (LVAC) data to also determine the **transfer values**, along with feasibility assessments which then decides the Minimum Expenditure Basket (MEB)⁷. The feasibility assessments are also determinants of the **modality of support** provided as they include a complete survey of network coverage, security concerns, capacity of retailers, function of the markets and accessibility of distribution points by beneficiaries.

6 Urban: Maseru, Mafeteng, Mohale’s Hoek, Quthing and Qacha’s Nek. Rural: Thaba-Tseka and Mokhotlong,

7 An MEB is a tool used by humanitarian actors to calculate the transfer amount of a multipurpose/multi-sectoral cash grant.

These indicators help in understanding whether it is cash, a commodity voucher or a combination that is most feasible.

B. IMPLEMENTATION

The review and analysis of literature on the use and implementation of the different SP schemes for shocks reveal observations that can be useful for future interventions.

- a) Exclusion error:** The CGP is the main programme that has been used for shock responses by various actors, mainly because the data required for targeting HHs with children is most easily available in NISSA. In response to the 2016 droughts, 26,681 HHs from the CGP beneficiary list received top-ups from the MoSD. However, no horizontal expansion was done to include additional HHs. In responding to this crisis, humanitarian agencies also used the CGP beneficiary list for targeting their actions but **excluded** the councils where CGP were given for fear of duplication. As a result, around 20 per cent of the population deemed in need of support by LVAC assessments did not receive any assistance. This was a **significant exclusion error** during the 2015/16 drought response.
- b) Transfer values:** In the **2015/16** drought emergency response, the DMA developed guidelines requiring partners to give cash, based on the number of the people in a HH instead of the national average (five people). As a result, the transfer value was amended from 100 Lesotho loti to **120 Lesotho loti** per person (maximum five people). During the **2018/2019** drought, the GoL under the DMA revised the transfer value to **756 Lesotho loti** per HH., while the LRCS decided to give 151 Lesotho loti per person. The household approach was later adapted as the Covid-19 response, during which the GoL pre-decided the transfer values and communicated them through the Covid Response Plan (I1⁸ WFP) to the various actors. When different SP programmes were being considered for vertical or horizontal expansion, however, this became a challenge as each programme had a different transfer value.
- c) Payment delivery mechanisms:** The literature indicates that the government continues to disperse most of its cash **manually**, and the CGP piloted mobile payments through Vodacom M-Pesa and Ecocash in several districts. The PA works with Post Bank in Maseru and with district officers protected by armed forces to deliver cash to beneficiaries outside Maseru. E-cash transfers are largely implemented by humanitarians: since 2015, in response to drought and more recently to Covid-19, various agencies and the LRCS have piloted or used e-transfers via **Vodacom** and **Econet** or over the counter in partnership with the **Lesotho Standard Bank**. Network coverage was reported by the WFP to be very high in all urban areas and most rural areas, with commodity vouchers being given where rural coverage was low.

8 I= Interview, so I1= Interview 1.

- d) Grievance mechanisms:** are weak for most social assistance programs. The World Bank (2021) found during their Integrated Social Safety Net (ISSN) review in 2016, that participants were unaware of how to put forward any grievances. Current complaints are brought to auxiliary social workers, community councils, and district offices.
- e) Role of MoSD social workers:** Social workers at district level and auxiliary social workers at community level are key in targeting and identifying HHs for social transfers in programmes such as PA and the CGP. Key decisions around eligibility verifications and the benefit amount also come under the purview of these social workers and, therefore, actors in this space will benefit from **establishing working relations with the social workers** from the outset of any project/planning. For instance, in response to Covid-19 in urban areas, the WFP supported 34,000 people by horizontally expanding the PA programme. Using NISSA along with their own food security indicators as well as programme waiting lists, the WFP worked with social workers to target individuals and HHS in need. Six months of transfers were made with Vodacom's M-Pesa mobile money payment service (M for mobile, pesa is Swahili for money). The social workers were also responsible for **creating waiting lists** that were then used by the WFP.

6. FINDINGS

A. GENERAL FINDINGS ON SOCIAL PROTECTION COMPONENTS

1. Shocks and crisis relevant for social protection

This study has identified drought as one of the most recurrent hazards affecting Lesotho, leading to increased food insecurity and loss of livelihoods. During previous droughts, vulnerable recipients of **regular, SP programme cash transfers** reported that the transfer values were inadequate, and this was confirmed with key informant interviews. This is an important observation that regular cash transfers, which have been traditionally designed for poverty alleviation, are **inadequate to address poverty as well as the compounding impacts from prolonged droughts and an argument for the early vertical expansion (top-ups) of some SP programmes**. The HHs targeted in this case might continue to live in poverty and never graduate out of the safety net if the same amount for poverty alleviation is now expected to serve the dual purposes of reducing poverty as well as preventing negative coping mechanisms during droughts. In addition to this, there are currently long waiting lists on all SP programmes, and in urban areas, meaning that the people currently assessed to be vulnerable and in need of cash assistance do not receive the support they need at present.

2. The policy and institutional context for SP, DM & humanitarian response

Multiple ministries administer safety net programmes in Lesotho, with gaps in coordination among them at both the policy and administrative levels. Since the 2016 drought, increasing efforts have been made to link the DMA's disaster responses with SP; and, although they currently continue to operate largely separately, significant efforts were made to reflect upon this as part of the mentioned ECHO-funded programme "*Strengthening Disaster Preparedness and Response Systems in Lesotho*". Three key outputs were produced on **leadership and coordination** (below), which represent a positive step forward. It is unclear when these outputs will be published and implemented:

1. Integrated policy framework for EWEA prepared
2. Shock-responsive Social Protection Communication and Advocacy Strategy developed
3. An MoU between the DMA and MoSD signed

3. Existing systems and databases, management, and access

NISSA, which serves as the main SP registry providing HH-level data, is the primary basis for targeting all forms of social assistance schemes in Lesotho. Acknowledging the challenges with the NISSA becoming outdated and the fact that it does not contain climate vulnerability-related indicators, the MoSD – as custodian of the database – has been working on a **Shock-Responsive Social Protection Scalability Framework** with support from the DMA and UNICEF to come up with a strategy around continuing to update the database. Additionally, there are plans to integrate the NISSA database with the

Department of National Identity and Civil Registry (NICR) to make it a single registry. The community interviews as well as the high-level interviews with institutional stakeholders revealed that while the NISSA database is used extensively, the intention to update it regularly can be expensive. The MoSD is considering how frequently it is feasible to update the data, and **which variables** should be updated annually, and which can be updated on a two to three-year basis. It's important to recognize that these **programmes were designed to address chronic poverty** and not shocks and, therefore, require additional support. The MoSD and UNICEF interviews also indicated a willingness to come up with **drought-related indicators together with the LRCS**, with support from the GRC and the Red Cross Red Crescent Climate Centre, to be included in the NISSA database to ensure usability and availability of relevant data for drought responses in anticipation.

The LVAC is another crucial source of data for the government as well as other organizations working for drought responses in Lesotho. The data is collected between March–April and made available upon request around August/September. The WFP is reported to depend solely on LVAC assessments as well as Integrated Food Security Phase Classification (IPC) reports in some cases, to decide which councils to target. The timing at which the LVAC data is made available is slightly delayed in case it is to be used for targeting communities for early actions.

Lastly, FAO explained that although NISSA has an agriculture and food security section, the climate vulnerability indicators are not adequate. For this reason FAO is developing a **database of farmers**, which includes levels of income, to develop categories to assess which communities need what kind of support in response to drought (I6 FAO)

4. Transfer values

Findings indicate that **setting a common transfer value** needs to be better addressed as the transfer amounts were reported to be inadequate and not well harmonized across SP programmes. As explained above, for the Covid-19 response plans, the transfer values were decided and communicated to the different actors by the government. This resulted in complications due to the varying transfer amounts of each scheme. However, it is hoped that the development of a **Costing Model**⁹ will be able to better support the government and other agencies in the harmonization of cash transfer values during shock-response interventions.

5. Targeting

While NISSA is the main data source for identifying and targeting households, each actor has its own methods of targeting. Overall, there seems to be no standard approach in targeting households – actions are decided on an ad hoc basis, based on the shocks. For example, for targeting during the 2019 El Niño drought, the WFP made use of the beneficiary lists from the school feeding

9 Developed as part of the Scalability Framework (ECHO Final Report 2021)

programme (SFP) scheme, with assistance from social workers to ensure that the HHs targeted do not overlap with OVC bursary programme recipients. On the other hand, during Covid-19, the WFP made use of the **waiting lists** released by the GoL as part of the government's Covid-19 response plan. Prior to selecting beneficiaries, the WFP's food security questionnaire was administered to see if the people listed on the waiting lists were indeed food insecure, to identify who really needs help.

Another solution on the horizon and a product of the ECHO-funded programme on SRSP¹⁰ that could be tested by the LRCS, is the **Emergency Targeting Tool** intended as a method for relevant stakeholders to be able to update NISSA using existing community-based mechanisms in normal and emergency situations i.e., with axillary social workers (see the box in Section 3b for more details).

However, with NISSA being currently updated, and the possibility of potentially adding 2-3 drought related questions in the NISSA form is a promising entry point for ensuring targeting is more accurate soon.

6. Payment delivery mechanism

While the bulk of government cash transfers are delivered manually (cash in envelopes), it's unlikely that humanitarians could consider the use of this government transfer mechanism. However, the government intends to eventually switch to e-cash transfers and, with support from the World Bank, conducted a mapping study of all payment agencies: banks, ATMs (automated teller machines), and payment agents (I2MoSD). Furthermore, the highly popular OAP will reportedly be shifting from the MoF to the MoSD in late 2021, and pension payments will be integrated into the new Management Information System (MIS), which **supports mobile payments**. *"With advice from experts on MIS, we realised that we could achieve payment to our beneficiaries through the OAP platforms, so UNICEF will now use APIs to integrate and transfer files to the OAP database and connect them to MNOs"* (I2MoSD). The MoSD noted that electronic cash transfers would have many benefits: helping the elderly avoid long distances to walk to pay points; the reduction in costs of cash-in-transit delivery due to the high amount of staff required; ability to switch from quarterly to monthly payments and be more flexible when responding to shocks (I11 MoSD NISSA).

Consequently, it's important to monitor the progress of mass, mobile digital payments, to understand the liquidity of financial service providers (FSPs) and see how increased uptake influences the FSP services and outreach.

7. Grievance mechanisms

A call center may be put into place by the MoSD to support the social workers' grievance system.

10 ECHO Final Report 'Strengthening disaster preparedness and response systems in Lesotho', 2021

8. Coordination

While there is an overall understanding among the different actors regarding the scope and objective of each other's work, there is a lack of data sharing among actors regarding their programmes. For instance, one of the interviews revealed that, during an emergency response, the actors work independently without sharing lists on who is being targeted. This can potentially result in discontent among actors as well as communities in case of overlaps and unaligned transfer amounts.

Currently in the pipeline, is a new UN-led, national **Cash Working Group** (CWG) which aims to bring together development and humanitarian organizations working in Lesotho. The CWG includes World Vision as well as UN agencies. The Group's formation is pending World Vision drafting the TORs (Terms of Reference). During the interview, a high level of interest was expressed by the WFP to include the LRCS in CWG coordination. CaLP (Cash Learning Partnership) Southern Africa is ready to support the CWG formation if requested.¹¹

The **Social Protection Technical Working group** led by UNICEF, with WFP and other donors, is also an upcoming and relevant platform for coordination as identified during the interviews, with UNICEF preferring to avoid altogether a separate CWG in favour of one SP technical working group to ensure harmonised systems and coordination (I7 UNICEF).

Lastly, multiple interviews indicated that **coordination is critical** given the DMA's limited funding and, therefore, capacity to manage multiple projects and actors responding to drought. This means that any FbF EAP timeline **must be well coordinated** and planned with all key drought-response stakeholders to ensure bottlenecks caused by lack of DMA capacity are avoided. The example of the future **Africa Risk Capacity**¹² (ARC) initiative was given, whereby Lesotho could receive potentially large drought-risk insurance cash payouts, which would effectively take much of the DMA, MoSD and GoL administration offline. For integrating with ARC, the possibility of UN agencies joining hands with the DMA and earmarking some funds which can be used for SRSP can be a potential way forward.

8. Data sharing and data protection

One of the most crucial components for SRSP is the ability to quickly access data. NISSA has protocols for sharing data with actors including the LRCS, so that they can have access to HH-level information for targeting during relief efforts. The NISSA online portal has improved the access of partners to the database since actors can independently extract information as required. The different agencies must contact the MoSD first so that a unique log-in can be created, since special permissions are required for accessing certain variables. Getting access can take a week; the more indicators, and the more sensitive, the longer it takes to get the data.

¹¹ <https://www.calpnetwork.org/>

¹² [Africa Risk Capacity Lesotho](#)

Limited information was available from the study regarding data protection and security protocols observed while sharing data among actors and will therefore require further research before the EAPs are developed further. That said, key stakeholders did not raise any concerns during interviews with regards to data security.

9. Community and local government perceptions of SP programmes

Field research conducted in the three community councils sought to understand how the national SP system is perceived by communities and key informants, particularly with regards to its performance in supporting those most vulnerable to drought impacts. Interviews focused on perceptions of the interviewees regarding: a) the use of the NISSA for targeting; b) verification, registration methods, communication processes; c) the adequacy and coverage of existing SP programmes for those vulnerable to drought; and d) the preference for cash-based early actions as a response to drought.

- **Registration:** The information regarding beneficiary registration for schemes is provided by the aid providers in collaboration with the local authorities (the community councilor and the chief), often at the public gatherings (“*Lipitso*”). Communities reported that communication around registration processes were clear and accessible.
- **Targeting:** Findings show that the targeting criteria for the OAPs was clear to most groups interviewed. For the other schemes, there are discrepancies in understanding the final verification and selection processes because communities are not involved in this, which leads to ambiguity on who gets selected and why. This finding supports UNICEF’s (2008) SPRINGS impact evaluation report, which indicated the necessity to clarify CGP inclusion criteria to avoid negative community dynamics, noting that many beneficiary HHs were not aware of the eligibility criteria for being included in the CGP. The lack of clarity around the inclusion criteria is often one reason for negative community dynamics.
- **Timeliness:** Only the **OAPs** are perceived as timely as these payments are delivered monthly and predictably.
- **Adequacy:** Most respondents reported on the inadequacy of the support they received through different programmes. The **OAPs** were reported to be inadequate as they must cover extended family members who are either unemployed adults, or orphans who have lost their parents due to HIV. The **CGP** and **PA** schemes were reported as inadequate as they are delivered quarterly.

- **Coverage:** The community reported certain groups as **excluded** in most schemes, yet vulnerable to droughts: a) Old people between 60–69 years of age are not covered by the OAP, nor are they included in the national Public Works or CfW projects; b) subsistence farmers, who rely heavily on rainfed agriculture, are not covered; c) unemployed young and middle-aged people are also excluded; d) as are pregnant and lactating women.

B. FEASIBLE CASH-BASED EARLY ACTIONS FOR DROUGHT

LRCS field research revealed community and key informant preferences for the following cash early actions at specific phases prior to the occurrence of droughts and subsequent impacts.

EARLY ACTION	TARGET GROUP	TO AVOID NEGATIVE IMPACTS
CASH-FOR-WORK - rangeland rehabilitation - water harvesting structures construction, installation, rehabilitation - Domestic & livestock water	Poor, unemployed adults especially noted were youth	Losses of livestock, green areas, water shortages and contamination, etc.
VOUCHER / CONDITIONAL CASH - fodder, animal health kits	Poor livestock owners	Livestock losses & poor health
UNCONDITIONAL CASH	Vulnerable HHs, unemployed, elderly, disabled, etc.	Food insecurity due to high prices, low food availability

Unconditional cash transfer design could potentially be continued as part of the LRCS regular disaster response once a state of emergency has been declared, by continuing the monthly payments or expanding the number of HHs reached. Same project design but with non-anticipatory funding.

C. POTENTIAL USE OF SOCIAL PROTECTION FOR CASH EARLY ACTIONS

The rationale behind trying to integrate cash-based early actions, where feasible, into SP approaches is to facilitate a more systemic, predictable and eventually scalable approach to drought risk management. The two tables below describe options for working with national SP programmes and NISSA that, via pilot tests, could build the required evidence of cost-effective early actions to reduce drought impacts, for eventual adoption and integration into a future **Drought Scalability Framework**. A cautionary word: any new targeting, project and especially *early actions* will imply excellent community engagement and accountability (CEA) to achieve consensus and communicate thresholds and eligibility to communities. If **thresholds are not** reached, **managing expectations** for the receipt of cash transfers and seasonal CfW employment will require well-prepared communications. The Kenyan Red Cross has experience of this and can be contacted for advice and support.

It's perhaps useful here to repeat some of the LRCS findings on the groups **excluded** from SP programmes, yet in need when drought hits, and who could be included in selection criteria or prioritization for cash early actions: a) Old people between 60–69 years of age are not covered by the OAP, nor are they included in the national Public Works or CfW projects; b) subsistence farmers, who rely heavily on rainfed agriculture, are not covered; c) unemployed young and middle-aged people are also excluded; d) as are pregnant and lactating women.

1. Early Action: Anticipatory Unconditional Cash Transfers (UCT)

OBJECTIVE:	TO MEET THE BASIC NEEDS OF HHS (ALL/MOST/SOME/NONE OF THE TIME), ACCORDING TO THEIR PRIORITIES		
DROUGHT PHASE:	<ul style="list-style-type: none"> - Payments begin weeks before forecasted failed rainy season - Payments continue as regular monthly payments 		
TRANSFER AMOUNT:	<ul style="list-style-type: none"> - MEB to be determined by the LVAC & collaboration with all relevant stakeholders 		
TARGET GROUP:	<ul style="list-style-type: none"> - Those unable to work, food insecure + specific vulnerabilities - PWD, elderly, orphans, female- & child-headed HHs, large families, pregnant women 		
TARGETING METHODS:	<ul style="list-style-type: none"> - Use NISSA categories of “ultra-poor”, “poor”. Important as it includes data on non-SP programme beneficiaries - Include other drought-specific vulnerability factors - Community-based targeting - Possible priority to groups mentioned as excluded to LRCS (described above) - If using PA, possibly exclude those planned to be transitioned to other programmes - SP programme expansion (see below) - Design and validation with MoSD social workers - Consider WFP food security variables 		
SP PROGRAMME ADAPTATION			
	1. Vertical expansion	2. Horizontal expansion	3. Design tweak
ASSUMPTIONS PRIOR TO USE OF SP SCHEME	<ul style="list-style-type: none"> - NISSA has enough accurate data (adequate variables) to identify target HHs, i.e., poverty status, livelihood group and coordinates in the hazard area. Where this information is missing, “new variables” should be tested with relevant stakeholders and CEA processes - good coverage, accurate and updated data from NISSA - ability to use same targeting methods and eligibility criteria in the confidence that programme recipients are drought-affected - communities consulted - Transfer values are pre-agreed and harmonized 		
		Existing programme beneficiaries will receive a top-up from government/UN agencies	An agile system able to adapt rules / conditions to make payments faster and easier i.e., online registration
CHILD GRANTS PROGRAMME (CGP)	Options: Top-ups for the existing beneficiaries in each of these programmes before and during the droughts, they will not cope with a shock	Options: Expand existing prog to: 1) cover geographically forecasted areas 2) cover HHs in need, but not served due to budget constraints 3) target urban councils 4) target 60-69-year-olds for OAPs	Options: 1) Adjust the timing of benefit delivery from quarterly to monthly during the drought season or bring quarterly payment forward 2) Remove conditions of eligibility , e.g., by lowering the age of OAPs from 70 to 65 during droughts 3) Create waiting lists in advance to temporarily adapt criteria i.e., type of vulnerabilities including illness/disability/pregnancy or vulnerable livelihoods like farmers
PUBLIC ASSISTANCE (PA)			
OLD AGE PENSIONS (OAP)	NB: CGP only covers HHs with children		

2. Early Action: Anticipatory Cash-for Work (CfW) programmes

Here, labour is mobilized months before the predicted drought peak to mitigate common community drought impacts. Usually only the poor apply for the national Public Works programme, so employment or CfW is based upon self-selection (an application) and then a lottery to randomly select workers if the number of applications exceed the budget or project requirements¹³. Typical early action activities could be to install or rehabilitate water harvesting facilities (boreholes) and provide water tanks. This could be done alongside other early actions, such as conditional cash or vouchers for the promotion and distribution of drought tolerant seeds (pasture and forage) and fertilizers as well as the distribution of fodder and animal health kits.

OBJECTIVE	TO PROTECT AND PROMOTE LIVELIHOODS, COMMUNITY ASSETS, WATER & WATER SECURITY		
DROUGHT PHASE:	– 2–3 months before forecasted failed rainy season		
TRANSFER AMOUNT:	– Daily payment rates to be calculated with the national Public Works programme		
TARGET GROUP:	<ul style="list-style-type: none"> – Those able to work, low income, unemployed – May need age categories to ensure “fair lottery” 		
TARGETING METHODS:	<ul style="list-style-type: none"> – CfW employment based on self-selection methods used by the national Public Works programme + lottery methods – Expand NISSA with data from existing youth employment programmes targeting the vulnerable – Pre-register workers & create waiting list in cases those workers find other employment – Possible prioritize groups mentioned as excluded to LRCS (described above) 		
NATIONAL PUBLIC WORKS PROGRAMME ADAPTATION (“FATO-FATO”)			
ASSUMPTIONS	<ul style="list-style-type: none"> – Public Works (PW) projects align with identified community needs – Projects and areas selected by communities are drought-affected, align with PW objectives & plans – fills a gap - the government / no other agency will geographically cover – CfW payments are pre-agreed and harmonized 		
PUBLIC WORKS PROGRAMME (PW)	1. Vertical expansion	2. Horizontal expansion	3. Design tweak
	Options: Top-up existing PW employees: 1) even when they are unable to work 2) extend the number of days employed on projects	Options: Expand existing PW programme to: 1) cover geographically forecasted areas 2) add more workers to existing projects 3) increase the number of projects <i>- self-application, lottery-based selection methods</i>	Options: 1) Initiate PW well in advance based on forecast data - to provide CfW before drought hits - to construct infrastructure to maximize water storage/infiltration during the scarce rainfall events 4. Alignment 1) Design a new Anticipatory Public Works for Drought programme with a menu of PW options useful for drought impact mitigation by working with the MoFRSC, FAO, WFP, and communities. The government harmonizes with key stakeholders: targeting criteria, transfer amounts, timelines, FSP

13 See [World Bank Blogs 02.2021 Can the luck of the draw improve social safety nets?](#)

Lastly, these findings align with a recent World Bank (2021) study which recommended policy reform to **Strengthen shock responsiveness of Lesotho's SP system:**

- I. Develop shock-responsiveness framework for the overall SP system, not just the CGP program
- II. Public Assistance and Public Works Programs to become programs to address short term shock response program
- III. A more responsive system will need to build contingency funding mechanisms to mobilize resources more quickly in times of shocks

D. FEASIBILITY OF USING CASH AND VOUCHER ASSISTANCE

The cash feasibility study was conducted to inform the introduction of the FbF for drought where the timing and execution of **Cash and Voucher Assistance (CVA) early actions** is *unknown* and the timeframe for registration and encashment is potentially *short*. For anticipating drought, this differs slightly as the lead times are longer. The following five key components were assessed:

1. Assessment of pre-contracting FSPs and community preferences

All the groups of middle-aged men and women, all youth, and some elderly, **preferred mobile money transfer** due to its easy and fast accessibility in communities

- There are mobile money agents of at least one telecommunication network in most communities (Econet or Vodacom); and, if not, one can be found in a nearby village.
- The elderly are split between those who indicated that they prefer money in an envelope and those who preferred mobile money transfers. In some areas, the elderly indicated that walking long distances to centres for their OAP is a challenge for them, and that they preferred mobile money transfer.

Transferring cash: A summary of potential cash FSP and community preferences

	FINANCIAL SERVICE PROVIDER	ACCESSIBLE	TO AVOID NEGATIVE IMPACTS
COMMERCIAL BANKS:	Standard Lesotho Bank, Lesotho Post Bank, Nedbank, FNB	Branches in town only	Generally not preferred. Some women mentioned banks.
MOBILE MONEY:	Econet (Ecocash) Vodacom (M-Pesa)	Mobile money agents in all communities	Generally most preferred . 100% by youth, most middle-aged, some elderly.
POST OFFICES:	Cash in envelope	In selected areas only	Some elderly unable to use mobile phones, others can.

2. Assessment of access to functioning markets

Observations and KIIs revealed that most communities use a combination of local and in-town markets to purchase their basic food needs. The existing markets within the communities operate at a very small scale so, for many livelihoods commodities such as fodder or animal hygiene kits where there are no such enterprises at community-level, farmers need to travel far to towns to purchase such items. This means that **local markets cannot fully support anticipatory action** and there would be a need to support markets prior to such intervention. However, critical food and hygiene items to meet immediate, essential needs **are available** in community-level markets.

3. Assessment of well-defined transfer values

The Transfer value is set by the LVAC; however, communities indicated that the transfer value **does not allow** them to meet their basic needs. The government uses a five-person average and fixes the amount per HH. The LRCS generally adjusts for this by calculating the transfer value per person, giving more to larger HHs and less to smaller ones.

4. Assessment of the cash capacity of the LRCS

Generally, in Lesotho there is a shift towards, and an acceptance of, CVA to respond to emergencies, both by the government and humanitarians as well as in communities themselves. This means that we can expect, also with SRSP approaches, cash transfer programming (CTP) to continue to grow and expand.

Accordingly, between November 2020 and April 2021, the LRCS, supported by the British Red Cross, embarked on **Fast-Track Cash and Voucher Assistance Programming** (CVAP) to further strengthen its use of CTP to address relief needs, including anticipatory cash-based early actions, to implement CTP **faster**, and to reach many **more people**. The LRCS identified challenges and opportunities to scale-up CTP in five key areas (LRCS owns the full CVAP report) and, as indicated in the table below, this highly proactive and forward-thinking National Society has already begun to invest in its CTP capacities:

FIVE KEY AREAS OF CTP	ACTIONS ALREADY TAKEN	PLANNED
SOPS, SYSTEMS, AND GUIDELINES	Drafting of SOPs	Finalize and adopt the SOPs for CTP. New SOPs used in response will further strengthen the newly formed Cash Transfer Working Group (CTWG).
HUMAN RESOURCE CAPACITY DEVELOPMENT	Members of the CTWG participated in the Level I & II CTP training and both headquarters (HQ) and branch-level staff participated in The Netherlands Red Cross (NLRC)-510 mobile data collection training.	CVA & data management training needs to be rolled out to branch-level for staff and volunteers.
CONTINGENCY PLANNING AND PREPAREDNESS	Testing & Simulation: Cash was successfully transferred to 150 HHs. Recipients had access to the goods needed, greater dignity and choice and the transfer was fast – a vital support to the community markets & economies. Community helpdesks were found to be particularly successful in CEA.	Other simulation findings to explore: SRSP was identified as key to cash preparedness (the potential to use ever-declining humanitarian budgets more efficiently); opportunities around phone-based M&E .
OPERATIONAL TOOLS AND ACTION	Following NLRC-510 Information Management training, the LRCS procured computers and smartphones to support programme data collection and analysis.	- Need for a data management system at HQ and branch level. i.e. use of RedRose. LRCS Finance Department needs support in FSP contracting and deepening their knowledge of the processes and decisions involved in CVA programmes
COMMUNICATION AND COORDINATION	LRCS formed an internal CTWG which meets fortnightly. The CTWG is mandated to support the implementation of all the CVA programmes via activity plans, monitoring programme timelines and its sectoral / departmental role towards reaching the CTP goals.	To create an external national interagency – CTWG – to strengthen collaboration between organizations in future emergency responses – currently under discussion with the UN, CaLP and IFRC Regional Cash Coordinator

6. CONCLUSIONS

In conclusion, the study found that the SP schemes in Lesotho are currently **unable** to effectively cover all the drought-affected vulnerable groups. This is partially because these national programmes were not designed to address covariate shocks, rather chronic poverty. Therefore, they cannot be expected to cover the “new poor/vulnerable” created by drought, such as subsistence farmers, nor those already living in poverty and in receipt of social transfers. This is because any shock is likely to place an additional burden on these people that a regular social transfer cannot cover. The exception is the OAP, which gives some limited protection against drought impacts to elderly farmers in the 70+ age range. But even this support is limited since they must share the pension widely among unemployed family members.

Given the GoL’s solid commitments and actions to date to invest in strengthening SP systems, and recent experience during the Covid-19 pandemic in which UN actors were able to adapt and work with SP programmes and NISSA to deliver cash-based assistance, we conclude that **the integration of an FbF-type EWEA into cash-based SP systems is a viable approach** to reducing drought risk in Lesotho and **worthy of testing**. The level of consensus among the government, LRCS and UN actors is striking; and, with proper coordination and planning, such national systems will eventually be able to better address drought impacts. That the government has previously welcomed technical support and piloting of new methodology before adopting and funding successful initiatives itself, is evidence that such systems are worth investing the LRCS’ time and energy in.

Given that coordination mechanisms at the community- and district-levels appear to function quite well, the MoSD district- and community-level social workers are trained to assess the vulnerability levels of individuals and HHs, while the LRCS’ proximity to communities is critical to ensuring that the **design, validation, and pilots of early actions are conducted with sub-regional actors**. Recent experience of the GRC in the Philippines demonstrates how such decentralized approaches can facilitate a fast update of FbF, whereby several Philippine provincial-level disaster risk management planning/ budgeting offices have recently signed MoUs (Memorandums of Understanding) with the Philippine Red Cross (PRC) on anticipatory actions for typhoons. The province will now disperse its own budget to fund PRC early actions.

Lastly, electronic cash transfers are largely feasible in Lesotho and preferred as a modality of support by the communities interviewed. The LRCS has the capacity to set up and implement cash-based early actions but would benefit from investment in support such as a **data management system**, more mobile data collection devices, and capacity-building and training on FSP contracts as well as CTP at branch level etc.

7. RECOMMENDATIONS FOR THE NEXT PHASES OF THE PROJECT

A. SHORT-TERM

1. 1. **Prioritize the formation of a national Working Group on SP (WG):**

The formation of a national WG on SP with both the MoSD and DMA would go a long way to help adapt existing DMA guidance on using cash-based SP schemes to scale up and **harmonize targeting** methodology as well as **cash transfer values**, especially considering the increasing interest of humanitarians to work in SRSP. With the arrival of anticipatory action in Lesotho, the use of different SP tools for early action, as well as using timely cash transfers will also be an important topic of discussion. Until this happens, it is crucial that the existing FbF Technical Working Group (TWG) in Lesotho organizes periodic meetings, especially before drought seasons, and includes all actors so that they are aware of each other's planned responses. A **national SP Working Group** which includes key national humanitarian actors too, such as the LRCS, would also facilitate more accurate project and programme design, considering longer term plans and visions of the GoL and the role of relevant stakeholders in working towards those plans.

- 2. Pilot test the Public Assistance waiting list:** for targeting those unlikely to cope with drought impacts and unable to work based on NISSA and other vulnerability factors, as this waiting list contains individuals and HHs already screened and deemed vulnerable by MoSD social workers and would avoid the negative perceptions around the “undeserving” in categorical targeting (i.e., all 60–69 years old, HHs with children). The MoSD's plans for many current beneficiaries to transition from PA to other programmes such as children to CGP, elderly to OAP, and PWD to the new disability programme, so it may be wise to plan according to the PA programme vision as a short-term emergency response program for poor households with working age individuals. Although not yet ready to be used as an emergency cash programme, this was the intention when the PA programme was designed and the LRCS could pilot test agreed variables for later integration into the next round of NISSA data collection. A **hazard-specific waiting list based on vulnerability and exposure maps** was found to be a relevant anticipatory tool, so that targeting can be quick and can reach out to those particularly vulnerable to drought such as subsistence farmers. Considering the wide range of transfer values given via regular government and humanitarian cash transfers, **targeting and transfer amounts should be harmonized** with the DMA, MoSD and other key stakeholders. Test and build evidence for the use of the PA programme, potentially in parallel with use of the new **Emergency Targeting Tool**.

3. Ensure validation, design, and autonomy for EAPs at sub-regional

level: Empowering the actors directly affected by drought impacts, including those responsible for SP and disaster management responses, could facilitate the faster adoption of FbF into Lesotho's national systems. This was seen in the Philippines' FbF projects where several provincial administration units agreed to act early, including devoting local budgets (via an MoU) to anticipatory actions for typhoons. This allows the PRC to increase the number of HHs it can reach ahead of typhoon landfall. FbF EAPs were designed and implemented by the provincial administration units and the PRC.

B. MEDIUM-TERM

4. Engage with the popular Public Works Programme & FAO/WFP: During the validation process, it became clear that public works could be one of the main social protection tools that can be used for minimising drought impacts. If the focus is more on initiating multi season activities under public works, these can then eventually become part of long-term projects. One of the challenges however is the highly politicised nature of the scheme, including the targeting process and therefore requires continuous support from the LRCS. The ultimate objective could then be to **embed forecast data** and/or integrate early actions linked to water harvesting and storage as well as rangeland management into existing **National Adaptation Plans** and programmes. This can involve using regularly updated forecast data for planning a menu of different **drought-relevant Public Works options** (water harvesting infrastructure, for instance) **in advance** so that the highly popular national seasonal employment programme can be used to have multiple benefits.

5. Harmonize different SP components: Either as part of the FbF TWG activities, or via the outputs of the ECHO-supported project being published as operational guidance documents available to all actors, it will be useful to **jointly develop a strategy** to streamline three components of the SP systems: a) the targeting criteria; b) common transfer values for similar shocks, with a base value that can be adjusted every year depending on the MEB; and c) the targeting process. For instance, the WFP overlays food security variables when using NISSA to target the PA programme to beneficiaries, so such methods could be discussed and streamlined by all actors. Streamlined, hazard-specific variables could then be **tested** and later included in the NISSA database to ensure the usability and availability of relevant data for drought responses in anticipation.

5. Offer to pilot and test outputs of the ECHO-funded work on SRSP¹⁴ such as the **Scalability Framework** and **Emergency Targeting Tools**. Validation interviews with the UN agencies suggested that there is appetite for building on what UN and other development partners have done on preparedness and the scalability framework by ECHO, as this aligns with the

14 "Strengthening Disaster Preparedness and Response Systems in Lesotho" (ECHO Final Report 2021)

FbF project being developed by LRCS in Lesotho, and the use of SP will be an integral part of the suite of early actions.

Existing initiatives appear to **already fit within a future Drought Scalability Framework** and the anticipation EAPs could represent a commitment to contribute. SP programs driven by actors like the Ministry of Agriculture working with FAO on SIG; CTs through vouchers unconditionally were done to support farmers. Also, SFP could be perhaps used by the Ministry of Education, going beyond the CGP. All UN agencies interviewed expressed an interest to work on this collaboratively, recommending follow-up with the GoL and the World Bank.

- 7. Standardization of EAP and list of early actions:** In 2019–2020, the DMA developed disaster risk reduction instruments with technical and financial support from the WFP in Lesotho. In particular, the WFP has supported the development of a *Disaster Risk Reduction Strategy and Plan*, including an associated Early Warning /Action Strategy and Plan. In addition, an SOP and Threshold document has been developed with a specific focus on EWEA protocols. In the next phase of the project, where GRC supports the development of an EAP in Lesotho, it will be important to review what exists and standardize the EAPs as far as possible, potentially working in coordination with the Lesotho TWG.
- 8. Discuss LVAC data collection/reporting timings:** The LVAC data is collected during April–June (harvest period) and the national reports are made accessible in August–September. To use this data for designing appropriate early actions, the timings of the data collection and reporting can be adjusted to match the triggers for droughts. Alternatively, a **phased release** of the LVAC data could be explored. This would need to prioritize the early release of those **variables** that are most relevant for targeting or ensure the early release of data for those districts that are most drought prone. This would also have the benefit of distributing the overall burden of data compilation and reporting across months.

C. MEDIUM / LONG-TERM

- 9. Explore Active Labour Market Policies (ALMP) as part of the SP ecosystem:** Currently, the major SP schemes running in the country are focused on providing social assistance. However, active labour market policies – a crucial pillar of any SP system – are underdeveloped and not linked with social assistance. Active labour market policies can help in two ways: a) as indicated in our findings, unemployed youth are often missing from beneficiary lists and ALMPs can help to provide them with **job training** and or **job search assistance**, preparing youth for the job market; and b) well-designed ALMPs can also assist youth in their search for work opportunities and to access migration pathways in advance of the drought season. Combined with social assistance, ALMPs could be used to respond to shocks i.e. cash-for-work to address temporary loss of income. See Annex 3 Youth Employment Programmes.

10. Improvement of coverage of existing schemes: During shocks, there are groups of people who are impacted by other shocks that are not included in the lists. Overall, improving the number of HHs covered under a scheme will play a role in protecting people from shocks. However, some priority groups identified for EAP targeting include: a) **farmers** who are often not included in any of the SP schemes, but are directly impacted by droughts (male and female); b) daily labourers and those who rely on **casual labour** as they don't get captured in the NISSA database, but are seriously hit by droughts; c) **elderly** people between 60–69 years of age who are not covered by the pensions scheme yet are too old to apply and work for the national Public Works programme. The CGP is also being currently revised by UNICEF to become more shock responsive, and extend coverage, including to those families where parents have migrated and children are still under the care of grandparents.

11. Data sharing protocols: The MoSD, as the custodian of the NISSA database, holds the access rights and creates logins for actors, based on their request to access the database. To quicken the process of data sharing, pre-existing **MoU templates** agreed upon between MoSD and other agencies can be explored as part of the overall EAP framework. These templates need only digital signatures to enter into force and would quicken the process of data sharing as well as the generation of log-in credentials.

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ANNEX 1 NATIONAL SOCIAL PROTECTION STRATEGY IMPLEMENTATION PLAN

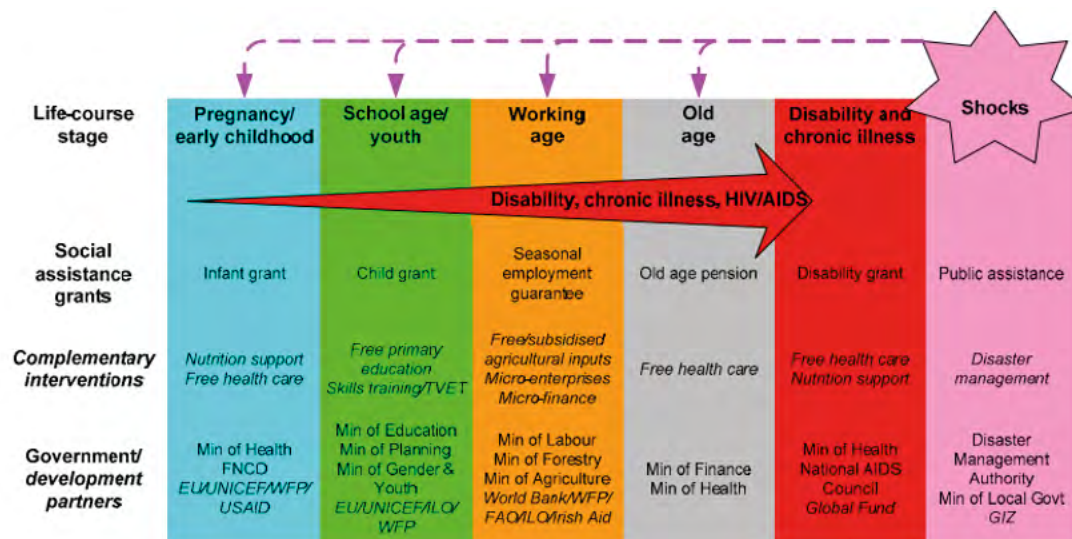
The accompanying Action Plan for **Shocks** is as follows:

Proposed Core Social Protection Implementation Plan						
Life-course stage	Pregnancy & early childhood	School age & youth	Working age	Old age	Disability & chronic illness	Shocks
Core social assistance programme	Infant grant	Child grant	Seasonal employment guarantee	Old age pension	Disability grant	Public assistance grant
2014/15	Planning and design	CCT pilot; expand to all districts	Coordination and concept	Increase value of transfer	Mapping and design	Review and re-design
2015/16	Universal pilot in one district	Increase coverage to 15% of HHs w/ children	Piloting	Reduce age of eligibility to 69	Cover 25% of those with severe disability	Transfer PwDs to disability grant
2016/17	Three more districts	Increase coverage to 20% of HHs w/ children	Piloting		Cover 50% of those with severe disability	Continue PA grant as temporary safety net
2017/18	Three more districts	Increase coverage to 25% of HHs w/ children	Negotiation of funding for scale-up	Reduce age of eligibility to 68	Cover 75% of those with severe disability	Continue PA grant as temporary safety net
2018/19	Final three districts	Increase coverage to 30% of HHs w/ children	Design of national scale-up		Cover 100% of those with severe disability	Continue PA grant as temporary safety net
Situation in 2018/19	Universal infant grant to all pregnant women and mothers of under-2s	Poverty-targeted child grant to all extreme poor HHs with children (30%)	Design and funding in place for national seasonal employment guarantee scheme	Universal old age pension to all over-68	Universal disability grant to all with a severe disability	PA grant available as temporary safety net to all suffering personal/HH shocks
Cost in 2018/19	M366 million	M249 million	[not costed in Phase 1]	M497 million	M127 million	M35 million
as % of GDP in 2018/19	1.13	0.77	0.00	1.53	0.39	0.11
Vision for 2025	Universal infant grant to all pregnant women and mothers of under-2s	Poverty-targeted child grant to all poor HHs with children (50%)	National seasonal employment guarantee scheme	Universal old age pension to all over-65	Universal disability grant to all with a severe disability	PA grant available as temporary safety net to all suffering personal/HH shocks

1. Critically review PA to restructure it into: a) the proposed disability grant; and b) the a residual “**safety net of last resort**” – a quick, reactive, discretionary response to be provided on a transitory short-term basis until the HH can be channelled to a more permanent long-term core programme of social assistance.
2. Participate in the development of a comprehensive **national disaster management and shock response framework** and work closely with the DMA to define and codify key linkages between SP and disaster risk reduction and management.
3. Refine the **NISSA** database to be used rapidly to deploy additional resources in the event of a disaster

To coordinate SP policy, the NSPS Institutional Framework outlines a policy committee with six technical social assistance working sub-committees, one responsible for each stage of the life-course, limited to ten members, plus at least **one relevant non-governmental organization** representative. The sub-committees focus on technical design and implementation aspects of the core programmes as well as on ensuring linkages and complementarities with secondary programmes. Further research is needed to understand the functioning of these sub-committees and if the LRCS has a role to play in them.

National SP Strategy: Institutional coordination across the life course



ANNEX 2 LESOTHO SOCIAL PROTECTION PROGRAMMES

The Child Grant Programme

SP PROGRAMME	The Lesotho Child Grant Programme (CGP) is an unconditional cash transfer targeted to poor and vulnerable HHs
AUTHORITY RESPONSIBLE	MoSD. UNICEF technical support. Initially EU Financial support until the GoL took full responsibility in a relatively short space of time in 2015.
OBJECTIVE POVERTY REDUCTION/ LIVELIHOOD	<ul style="list-style-type: none"> - To reduce malnutrition - Improve health & increase school enrolment among OVCs
TARGET GROUPS/ ELIGIBILITY. DO THEY INCLUDE PARTICULARLY DROUGHT AFFECTED?	<ul style="list-style-type: none"> - Poor HHs with min. 1 child under 18 years of age - Qualified as “ultra-poor” or “very poor” under PMT - LRCS “<i>HHs without children excluded, not all beneficiaries are drought-affected</i>”
IMS-DATABASE NISSA USED? FREQUENCY UPDATED?	Survey data from all surveyed HHs are entered into NISSA. LRCS describe data as “reliable”, updated frequently.
TARGET METHODS PMT + CBT	The HHs listed are allocated by the community to one of four categories. A PMT is used to assess whether those categorized as “poor” and “ultra-poor” qualify as beneficiaries. The Village Assistance Committee (VAC) presents the list to the community for validation.
COVERAGE NATIONAL/ DISTRICTS	41,049 HHs, 90,821 children. Covers only 21 per cent of eligible children (UNICEF 2019) All 10 districts. 36 out of 64 councils with plans to expand to all 64
NON-BENEFICIARY / WAIT LISTS	Important data to collect during field research for all SP Programmes
TRANSFER AMOUNT / FREQUENCY	Quarterly Cash grant. 1-2 children M360 /quarter (USD26) 3-4 children M600 /quarter (USD43) 5+ children M750 /quarter (USD54)
DELIVERY SYSTEM	Payments physically through a cash-in-transit firm Electronic transfers being piloted in 6 community councils (to be verified).
CASE MANAGEMENT	Complaints can be placed with the MoSD
TOTAL FUNDING	

<p>BEEN SCALED UP?</p>	<p>Yes – for drought response in 2016¹⁵:</p> <ul style="list-style-type: none"> – Existing 26,681 HHs received top-ups. However, as no horizontal expansion was done, and humanitarian agencies excluded the councils where CGP was given for fear of duplication, around 20 per cent of the population deemed in need by LVAC assessments of immediate FSL support, did not receive any external intervention = significant exclusion error. It is recommended that, in a future response, either the CGP expands horizontally or humanitarian operations target CGP councils with additional support for vulnerable HHs that are not enrolled in the CGP – but that the current approach of parallel operations without CGP horizontal expansion must not be replicated in future. (World Bank 2018) – The WFP unconditional cash top-ups were given in 2016 + the caseload was expanded to additional disaster-affected HHs. WFP provided M1,000/HHs per month (+ M60 transport), amounting to the minimum food requirement of 2,100kcal/day/HH of 5 persons. – Harmonization of transfer values was an issue. A 2020 feasibility interview with the WFP stated that “the forum of the LVAC should be used to pre-agree and harmonize transfer values used by different organizations/gov”. – UNICEF topped up cash in Mokhotlong, Thaba-Tseke & Quthing 500 Lesotho loti extra x 2 quarters to 3,681 HHs (18,405 people) – Piggybacking on the CGP beneficiary list: FAO distributed seeds; CRS provided seeds and vouchers
<p>IF YES, EXPLAIN IF TARGETING DIFFERED IN EMERGENCY / DIFFERENT HAZARDS?</p>	<p>Covid-19 response In February 2020, the GoL announced EU and UNICEF support to 50,000 HHs under the CGP.</p> <ul style="list-style-type: none"> – M1,500 for the period of three months – An additional 6,000 HHs will receive top-ups of M2,068 for a period of three months – Additionally, the GoL will also assist 12,741 HHs for three months with the relief fund of M870 (social grant assistance from the government). The aim of the relief fund is to assist HHs with children’s needs that include ID cards, birth certificates, food, clothing etc.
<p>HOW WAS RAPID VERIFICATION DONE?</p>	
<p>CAPACITY / HR</p>	

15 Initially with EU support, then extended by DfID and the World Bank

Programme impacts, successes and challenges:

- Carraro & Ferrone (2019) used data from the **CGP** to provide evidence that food security and nutrition are influenced by kinship network structures, with positive spillover effects of the CGP on ineligible HHs within the social network of CGP beneficiaries. The multiplier effects of cash are well-documented and of no surprise, so the main message here is that any **cash-based early actions** targeting specific vulnerable individuals or groups can expect grants to be shared amongst social networks.
- Results from the UNICEF SP top-up programme showed that cash transfers have a multiplier effect on the local economy, increasing the purchasing power of beneficiaries' families. This strengthened local markets/businesses owned by non-beneficiaries. FGD during payments showed that beneficiaries of the cash transfers were less likely to adopt negative coping mechanisms, such as reducing the frequency of meals, begging from neighbours, and engaging children in work and withdrawing them from school. As the disbursements were made through the existing NISSA, the costs for targeting were eliminated and efficiency gains were recorded (DfID, 2017).
- Another study found that the CGP *“reduced the incidence and intensity of multidimensional deprivation for children living in labour-constrained female-headed households that experienced negative economic or demographic shocks”*. However, the CGP was less able to respond to covariate **weather-related shocks** affecting agricultural production and were unable to prevent negative coping strategies, indicating additional support is required (Carraro & Ferrone, 2020)
- OPM (2017) summarize that it was better to use the CGP in response to the 2016 drought than not, because it reached many people quickly (over 100,000 people), but that it was not the most timely or predictable response and that most needy people still had to be reached through other routes.

The Old Age Pension Programme (OAP)

SP PROG	The Old Age Pension (OAP) was established in 2004 and is a universal, non-contributory social pension.
AUTHORITY RESPONSIBLE	Ministry of Finance (MoF), Department of Pensions
OBJECTIVE	– to prevent Basotho elderly from falling into destitution
TARGET GROUPS/ ELIGIBILITY. DO THEY INCLUDE PARTICULARLY DROUGHT AFFECTED?	– Persons over 70 – so not poverty targeted – Not receiving a government pension – – LRCS “many OAPs are farmers and need to support orphan family members due to HIV, and many unemployed relatives”
IMS-DATABASE NISSA USED?	No
FREQUENCY UPDATED?	– LRCS describe data as “reliable”, “updated frequently”
TARGET METHODS	OAP applications are received at the district level all over the country and submitted to the Pensions Office in Maseru for processing.
COVERAGE NATIONAL / DISTRICTS	85,000 – much higher coverage than the CGP All 10 districts
NON-BENEFICIARY / WAIT LISTS	Unclear but many feel 70 years is too high and the age should be lowered
TRANSFER AMOUNT / FREQUENCY	– M750 /month (USD 54) – much higher transfer amount than the CGP therefore likely to reach more HH – The popular universal OAP has increased dramatically over the past decade: the monthly transfer began at M150 per month, and is now M750 (52 US dollars) per month.
DELIVERY SYSTEM	Coordinated from Maseru, disbursed by MoF payment officers through 293 pay points in envelopes
CASE MANAGEMENT	
TOTAL FUNDING	
BEEN SCALED UP?	No data.
DID TARGETING DIFFER IN EMERGENCY FOR DIFFERENT HAZARDS? HOW WAS RAPID VERIFICATION DONE?	The PM launched a similar categorical targeting of the 60–69 year age-range via the MoSD in response to Covid-19. See below “New Emergency Programmes”
CAPACITY / HR	

Programme impacts, successes and challenges:

- LRCS note that the heavy reliance on OAPs due to high unemployment rates means the elderly cannot support the whole family or use the money for investment and savings. Robbery was noted as a risk.

The Public Assistance Programme (PAP)

SP PROG	The PA is the country's oldest social assistance programme.
AUTHORITY RESPONSIBLE	MoSD
OBJECTIVE POVERTY REDUCTION/ LIVELIHOOD	<ul style="list-style-type: none"> - Poverty reduction - to provide a range of temporary & permanent inputs to destitute individuals and/or households.
TARGET GROUPS/ ELIGIBILITY. INDICATE IF PARTICULARLY DROUGHT AFFECTED?	<ul style="list-style-type: none"> - OVCs - Severely disabled - Severely ill - Elderly
IMS-DATABASE NISSA USED? FREQUENCY UPDATED?	NISSA
TARGET METHODS PMT + CBT	PA beneficiaries are self-targeted, but decisions on eligibility and the benefit amount rests mostly with the MoSD district managers and social workers in the ten districts, based on MoSD guidelines.
COVERAGE NATIONAL/ DISTRICTS	National. In fiscal year 2018-2019, the programme reached a total of approximately 12,000 beneficiaries, or 0.5 per cent of the population. (World Bank, 2019)
NON-BENEFICIARY / WAIT LISTS	Waiting lists yes.
TRANSFER AMOUNT / FREQUENCY	<ul style="list-style-type: none"> - A quarterly cash transfer, a food package, medical fee exemptions and other in-kind benefits, school fees - Amounts vary. The value of the temporary cash benefit is M250 (USD 22) per person per month for six months. - Permanent transfers given in cases of severe disability up to a maximum of LSL 500.
DELIVERY SYSTEM	Cash in envelope. Benefit delivery is done at the district level by Social Welfare Officers
CASE MANAGEMENT	
TOTAL FUNDING	LSL 41 million
BEEN SCALED UP? DID TARGETING DIFFER IN EMERGENCY FOR DIFFERENT HAZARDS? HOW WAS RAPID VERIFICATION DONE?	<p>Yes. COVID-19 urban response. According to WFP (2020, August) Country Brief Lesotho:</p> <ul style="list-style-type: none"> - WFP initiated a six-month urban response, targeting the urban councils of Maseru, Mafeteng, Mohale's Hoek, Quthing and Qacha's Nek districts. - Described as "an expansion of the national Public Assistance Programme" Unclear if horizontal or top-up - Targeting: NISSA + FS indicators + waiting lists - A total of 8,500 HH (34,000 people) will be assisted monthly with cash entitlements using Vodacom's MPESA mobile money platform. - LSL831 /HH (USD 50)
CAPACITY / HR	

According to the NISSA Manager (I4 MoSD), to make the **PA programme** shock responsive, the MoSD first needs to move beneficiaries' CGP and Disability Grants. The challenge is that benefit amounts are not aligned across schemes and the MoSD does not want to make people worse off. In the meantime, NISSA can be used to target PA beneficiaries.

The Public Works “Fato-Fato CfW” Programme

SP PROG	A national seasonal employment guarantee scheme to offer public works to the working age poor who need it, and the establishment of a basic set of social security benefits for those in the formal sector. The Watershed Management Public Works, also known as the “Fato-Fato” programme serves the dual objectives of environmental conservation and income support through the CfW approach. Public works activities include a range of land management and soil conservation activities, such as planting trees for fuel and wood, planting fruit trees, land rehabilitation (rehabilitation of rangeland and grass cover, removal of invasive species, construction of infiltration ditches, terracing to reduce erosion) and water harvesting (installation of roof tanks, water storage and dams). Farmers are provided with free seeds to protect eroding soils.
AUTHORITY RESPONSIBLE	Ministry of Forestry, Range and Soil Conservation (MoFRSC)
OBJECTIVE POVERTY REDUCTION/ LIVELIHOOD	<ul style="list-style-type: none"> – Providing income support – Providing livelihood alternatives – Environmental conservation – Not targeted specifically at the poor but, nonetheless, is part of the overall social assistance programme and only the poor tend to apply for the manual labour
TARGET GROUPS/ ELIGIBILITY. DO THEY INCLUDE PARTICULARLY DROUGHT AFFECTED?	<ul style="list-style-type: none"> – Not allowed to work more than one month per year per HH
IMS-DATABASE NISSA USED? FREQUENCY UPDATED?	According to the World Bank (2018) NISSA is not used to target HHs and the MoFRSC Director had no knowledge of the existence of NISSA and there is no harmonization with the CGP or other SP transfer generosity.
TARGET METHODS	The programme is self-targeted and not restricted to the poor
COVERAGE NATIONAL/ DISTRICTS	National programme <ul style="list-style-type: none"> – The national public works programme provides employment to an estimated 115,000 working age, able-bodied adults on a yearly basis (Daidone and Prifti, 2016)
NON-BENEFICIARY / WAIT LISTS	
TRANSFER AMOUNT / FREQUENCY	A monthly wage of 1,200 Lesotho loti is paid (or 60 Lesotho loti per day for a period of 20 days per month), one month per year; high compared to the national upper-bound poverty of 648.88 Lesotho loti per adult equivalent per month in 2017–2018 prices (World Bank, 2019)
DELIVERY SYSTEM	
CASE MANAGEMENT	
TOTAL FUNDING	

BEEN SCALED UP?	Unclear. Possibly adapted in response to Covid-19 (WFP Lesotho Country Brief, June 2020): Public works activities have resumed in all three districts of Mafeteng, Mofale's Hoek and Quthing. A total of 5,752 people (51 per cent women and 49 per cent men) were reached in May. Key activities include sensitization on Covid-19, rehabilitation of dongas (steep-sided ravines), removing dense vegetation, harvesting of vegetables and planting of fresh ones, and land cultivation.
DID TARGETING DIFFER IN EMERGENCY FOR DIFFERENT HAZARDS? HOW WAS RAPID VERIFICATION DONE?	
CAPACITY / HR	

Programme impacts, successes and challenges: No data

60–69 Covid-19 Relief Fund for Older Persons

NEW EMERGENCY FUND!	In response to the Covid-19 pandemic, the Prime Minister launched the 60–69 Covid-19 Relief Fund for Older Persons ¹⁶
AUTHORITY RESPONSIBLE	MoSD
OBJECTIVE POVERTY REDUCTION/ LIVELIHOOD	- “Older persons are the most vulnerable. The people who will benefit from this programme are not eligible for the old age pensions which are given to people aged 70 and above. The target is people who do not have sustainable means to provide for themselves.”
TARGET GROUPS/ ELIGIBILITY. DO THEY INCLUDE PARTICULARLY DROUGHT AFFECTED?	- Eligibility: categorical, 60-69 years , not receiving other benefits, National ID necessary - 1 person / HH - Registration - to access funds individuals must register via community leaders
IMS-DATABASE	- MoSD-led programme, with beneficiaries selection from NISSA
TARGET METHODS	
COVERAGE NATIONAL/ DISTRICTS	National - 35,000 most vulnerable HHs countrywide
NON-BENEFICIARY / WAIT LISTS	
TRANSFER AMOUNT / FREQUENCY	- M831.00 for three consecutive months starting from December 2020
DELIVERY SYSTEM	Cash in envelope. Benefit delivery is done at the district level by Social Welfare Officers
CASE MANAGEMENT	- Cash in envelopes
TOTAL FUNDING AVAILABLE	

Programme impacts, successes and challenges: No data

¹⁶ <https://www.gov.ls/pm-launches-covid-19-relief-fund-for-60-69-older-persons/>

Other major programmes, sectors, databases include:

<p>NATIONAL SCHOOL FEEDING PROGRAMME (NSF) MIN. EDUCATION & TRAINING</p>	<p>The NSF programme has the greatest coverage of around 460,000 schoolchildren. The number of daily meals provided to students differs within the country. Students attending primary schools in the more drought-prone mountain zone receive two meals per school day (breakfast porridge and lunch) whereas primary-level students in the lowland zones receive one lunch per school day. In total, students benefiting from the NSF number 80,000 in the mountain zone and 330,000 in the lowlands. A relatively new development is the provision of a free meal to approximately 50,000 children in pre-school. During the Covid-19 pandemic conditionalities for school attendance were dropped.</p>
<p>OVC BURSARY</p>	<p>The OVC Bursary programme is the smallest of the SP programmes but, nonetheless, reaches an estimated 13,172 children. The Bursary programme is targeted at secondary students (under 18 years of age) and covers a range of school expenses, including boarding fees as needed. OVCs are defined as those who have lost one or both of their parents, or those whose parents are very ill and incapacitated, or those who are identified generally as “needy” (World Bank 2018).</p>
<p>DISABILITY GRANT</p>	<p>According to the Lesotho National Federation of Organizations of the Disabled (LNFOD) website, in March 2021 the GoL enacted the <i>Persons with Disability Equity Act No. 24</i>. Shortly afterwards, the MoF announced the introduction of a disability grant in the fiscal year 2020–2021. The LNFOD is uncertain how much individuals will get and or what the eligibility criteria are. Currently, the severely disabled can receive support under the PA programme or OVC Bursary.</p>
<p>MIN. OF AGRICULTURE & FOOD SECURITY (MOAFS)</p>	<p>Participated in the drought response process coordinated by the DMA. The MoAFS started putting a preparedness proposal together in August 2015, after the annual crop assessment. The proposal included actions related to: i) livestock such as water provision, feed, vaccination and dosing; and ii) crops such as seeds provision (World Bank, 2019)</p>
<p>MOH</p>	<p>Coordinated regularly with the DMA during the El Niño 2015/6 drought response.</p>

ANNEX 3 YOUTH EMPLOYMENT PROGRAMMES IN LESOTHO

Program	Ministry/Agency	Number of beneficiaries	Annual Budget	Cost per beneficiary
Job Creation				
Integrated Watershed Management Public Works (fato-fato)	Ministry of Forestry, Range and Soil Conservation (MoFRSC)	96,000	M157 million	M960
Social Compact (Capital for entrepreneurship)	Ministry of Gender & Youth, Sports & Recreation (MoGYSR)	70	M3 million	Grants up to M40,000
Kickstart (entrepreneurship)	Maluti Mountain Brewery	60 youth trained, 7 receive capital support	M1 million	Grants up to M100,000
Bacha Entrepreneurial Project	Basotho Enterprises Development Corporation (BEDCO)	25 youth trained, but only 3 receive capital support	M500,000	Loans up to M165,000
The Vodacom Innovation Park	Vodacom Foundation	6 participants per year	M1.2 million (2016)	M200,000
Employability				
Lesotho Distance Teaching Centre (LDTTC)	Ministry of Education and Training	5,000 (Literacy) + 3,459 (Open and Distance Learning)	M12 million	Average M1,419
Tertiary Bursaries (NMDS)	Ministry of Development Planning	23,000 beneficiaries per year (16,200 government-funded)	M660 million	Loans range from M7,000 (Lesotho) to M40,000 (South Africa)
Vocational Youth Training Centers	Technical and Vocational Education Division (TVD) (Ministry of Education and Training)	4,223 enrolled students per year	M40 million	Cost of training ranges from M5,000 to M15,000 per student, per year
Ntlatfatsi Skills Training Centre	Ministry of Labor and Employment	320	M3 million	M9,375
Youth Employment Program (YEP)	Ministry of Gender & Youth, Sports & Recreation	1200	M130,000	M108
Student Training for Entrepreneurial Promotion (STEP)	Lesotho National Commission for UNESCO (Ministry of Education)	150	M280,000	M1,867
Lesotho National Youth Volunteer Corp Project (LYVCP)	Ministry of Gender & Youth, Sports & Recreation	108	M3.5 million	M32,407
Information				
Youth Entrepreneurship Program	Ministry of Small Business	2,000	M450,000	M225
Comprehensive				
Youth Resource Centers	Ministry of Gender & Youth, Sports & Recreation	23,500	M100,000	M4
CRS Restoring Ecosystem	Catholic Relief Services (CRS)	1,670	M 6 million	M3,593

Source: World Bank (2021) taken from Troiano *et. al.* 2016

