



United Nations Inter-Agency
Cluster on Trade and
Productive Capacity

UNCTAD, UNIDO, FAO, ILO, ITC, WTO, UNDP,
the 5 UN Regional Commissions, UNEP, UNOPS, UNCITRAL

POVERTY REDUCTION THROUGH TRADE IN LESOTHO EXAMPLES OF UN INTER-AGENCY COORDINATION

UNITED NATIONS DEVELOPMENT ASSISTANCE FRAMEWORK

ENHANCED INTEGRATED FRAMEWORK



United Nations Lesotho

Delivering as One

ABOUT THE UNDAF

- A common medium term strategic plan exemplifying UN programming principles: Human Rights; Gender Equality; Environmental Sustainability; Trade and Productive Capacities; Capacity Development; and Results Based Management.
- Provides a collective, coherent and integrated response of the United Nations System to national priorities and needs
- Committed to strengthening national ownership, leadership and accountability of the development process
- Fully aligned to the National Strategic Development Plan (NSDP, 2012/13-2016/17)
- Developed through an extensive consultative process involving the Government of Lesotho, donors, civil society organizations and other partners
- Collaboration of WFP, FAO, UNAIDS, UNDP, UNFPA, UNICEF, WHO, ILO, IFAD, UNCTAD, UN Habitat, ITC, UNESCO, UNCDF, UNIDO, UNV, UNECA, IAEA



OVERVIEW

NSDP Priorities	UNDAF Clusters	MDGs
High, shared and employment creating economic growth	Investment Climate, Manufacturing and Trade and financial services	1
	Agriculture	
Promote peace, democratic governance and build effective institutions	Governance and Institutions	1, 2, 3, 4, 5, 6, 7, 8
Enhance the skills base and foundation for innovation	Skills and Innovation	2
Reverse environmental degradation and adapt to climate change	Environment, Natural Resources and Climate Change	7
Improve health, combat HIV and AIDS and reduce vulnerability	Health and Nutrition	1, 4, 5
	Social Protection	
	HIV and AIDS	6

UNDAF Outcome: By 2017, public and private institutions promote increased investments, manufacturing trade and financial services, and create decent employment in an inclusive and sustainable manner

- Promote decent employment opportunities in manufacturing, trade and services
- Enhance trade development and facilitation through increased private sector competitiveness
- Strengthen financial services

Key UN agencies and members of the **UN Inter-agency Cluster on Trade and Productive Capacity**: UNDP, ILO, UNCTAD, ITC, UNIDO, FAO and UNECA



EIF IN LESOTHO

EIF Tier I Project (ON-GOING)

Strengthening Capacity for an Integrated Approach to Trade and Aid for Trade Enhancement, Job Creation, Poverty Reduction and Wealth Creation in Lesotho''

Diagnostic Trade and Integration Study Update (VALIDATED)

4 Priority Areas, 3 Key Sectors

Ministry of Trade and Industry, Cooperatives and Marketing, Capacity Action Plan (FINAL DRAFT FOR VALIDATION)

Action plan for improving Lesotho's ability to overcome its institutional capacity constraints (DTIS Priority Area 1)

Tier II Projects (IN-PROCESS)

Projects addressing DTIS action matrix and productive capacity constraints



DTIS UPDATE: AN ACTION MATRIX

Anchored in Lesotho's National Vision and NSDP objectives

- **Priority Areas**

- (i) Strengthened institutional capacity for trade and investment policy analysis and implementation
- (ii) Increased trade integration
- (iii) Improved business environment
- (iv) Improved infrastructure for trade and transport logistics

- **Key Sectors**

- (i) Horticulture/commercial agriculture,
- (ii) Textiles and garments, and
- (iii) Tourism

**Capacity
Assessment
and Action Plan**



Horticulture/Commercial Agriculture

Key Findings	Key Recommendation
<p>Potential to develop horticulture, commercial agriculture and related agribusiness : favourable soil , climate and access to regional markets</p>	<p>Improving the business enabling environment and facilitating private sector to lead the roll out and scaling up of recently piloted fruits and vegetable products initiatives</p>



Textiles and Garments



Key Findings

Lesotho has the basis of a vibrant textile and garment industry but needs greater depth and increased competitiveness to expand

Key recommendations

Need to diversify the textile sector, both products and markets



Tourism



Key Findings

Tourism development a National Policy
Objective
Good potential given scenic highlands and
snow covered Mountains

Key recommendations

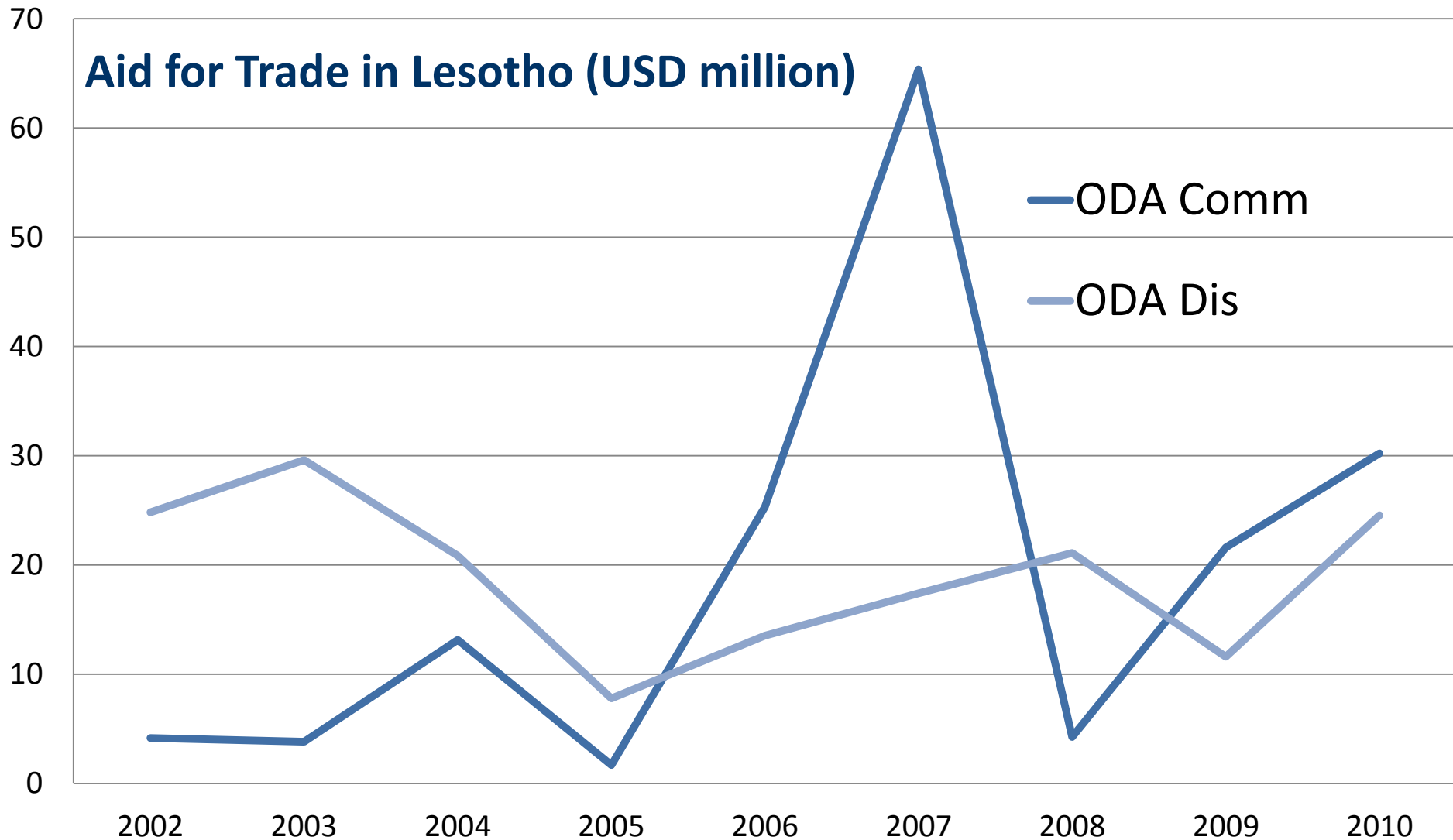
Focused Strategy to develop products,
brand and market the Mountain Kingdom
Eco tourism



SUPPORT AREAS

Interventions	Where we are	Assistance Required
Strengthening of policy environment through formulation of Investment, Competition and Trade Policies	Industrial / MSME Policy drafted. Investment Policy proposal	Funding for Investment Policy development and implementation. Financial assistance for development of Competition and Trade Policies
Support to One Stop Business Facilitation Centre (OBFC) to improve business environment	Some substantive achievements in targeting medium to large investors A capacity building analysis completed to strengthen trade governance	Funding required for training of staff to assist small entrepreneurs especially youth and women Technical and financial assistance to build trade negotiating capacity
Setting up a Bureau of Standards, Metrology, Testing and Quality (SMTQ)	To be initiated	Partner funding and assistance to develop systems and set up infrastructure

AID FOR TRADE: AN OPPORTUNITY



Source: OECD



THANK YOU

