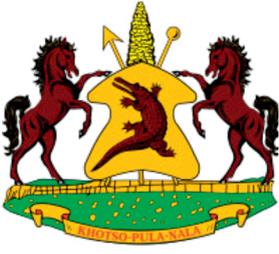


Lesotho Decent Work Country Programme

Phase II

2012 to 2017

Making Decent Work a Reality in Lesotho



Lesotho Decent Work Country Programme

Phase II

2012 to 2017

Making Decent Work a Reality in Lesotho

Launched by the Ministry of Labour and Employment, Workers' and Employers' Organizations, in Lesotho and the International Labour Organization on

29 February 2012

Memorandum of Understanding

*Between the
International Labour Organization*

*And
The Government of Lesotho*

Emanating From the good relations between the Government of Lesotho and the International Labour Organization;

Whereas the ILO cooperates with its member States in order to achieve the principles and objectives set forth in its Constitution as an international organization;

Whereas the ILO and the tripartite constituents in Lesotho (Government, Employers and Workers) desire to strengthen the technical cooperation and to work together to achieve the objectives of the attached Decent Work Programme prepared for the purpose.

It has been agreed between the Government of Lesotho and the social partners, on one side and the International Labour Organization, on the other side, the following:

Article I

To cooperate for the implementation of the Decent Work Country Programme annexed to this memorandum in accordance with its strategic objectives, with the view to enhance the capacities of each of the tripartite constituents in Lesotho to achieve these objectives.

Article II

The international Labour Organization avails itself to provide the necessary technical support to implement this programme, and to undertake together with the tripartite constituents efforts to raise funds for the financing of its activities.

Article III

The programme will be implemented in the period of 2012-2017 starting from the date of the signature of this Memorandum of Understanding. The programme will be reviewed in accordance with the provisions of the document related to monitoring and evaluation. The decision to extend the programme in case of incompleteness of its implementation will be made in accordance with these provisions.

Article IV

This Memorandum of Understanding is done in four original copies in English.

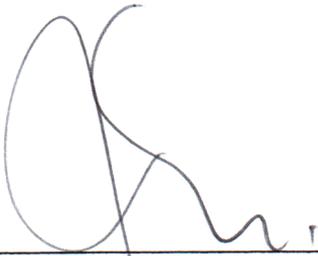
This Memorandum of Understanding is signed on 29th February 2012, in Maseru, Lesotho.



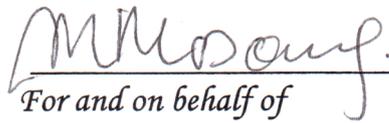
*For and on behalf of
Government of Lesotho
Honourable Mrs Maphoka Motoboli
Minister of Labour and Employment*



*For and on behalf of
International Labour Organization
Mr. Vic Van Vuuren
Director*



*For and on behalf of
Lesotho Employers Associations
Mr. John Lyon
Manufacturing*



*For and on behalf of
Lesotho Labour Federations
Mrs. Martha Mosoang-Ocran
General Secretary*

CONTENTS

Foreword	6
Executive Summary	8
Abbreviations	9
1. Introduction	10
2. Country Context	11
2.1 Economic Overview	11
2.2 Social Overview	12
2.3 The HIV and AIDS pandemic	12
2.4 Education and Skills Development	12
3. Employment and the Labour Market	13
3.1 Employment Sectors	13
3.2 Child Labour	14
3.3 Internal and International Migration and Trafficking In Persons	14
4. Fundamental Principles and rights at work	15
5. Gender Equality	15
6. Disability	15
7. Social Protection	16
8. Tripartism and Social Dialogue	17
9. Social Partners	18
10. Alignment with National Development and Policy Frameworks	19
10.1 National Vision 2020	19
10.2 Poverty Reduction Strategy: 2004/05–2007/08	19
10.3 National Strategic Development Plan: 2012/13-2016/17	19
11. The United Nations System in Lesotho	20
12. Global Financial and Economic Crisis	20
13. Review of implementation of the Lesotho DWCP 1: 2006-2009	20
14. Formulation of the Lesotho DWCP II: 2012-2017	21
Table 1 Key Result Areas for the Lesotho DWCP II	22
Country Programme Priority I: Employment Creation for Poverty Reduction	23
Country Programme Priority II: Social Protection Coverage	26
Country Programme Priority III: Tripartism and Social Dialogue	30
15. Management and Institutional Arrangements	33
16. Role of Government and the Social Partners	35
17. Role of the International Labour Organization	35
18. Communication	36
19. Monitoring and Evaluation	36
20. Estimated Resource Requirements	36
21. Risks and Mitigants	38
Glossary	39
Annex 1: ILO Conventions ratified by Lesotho	41
Annex 2: Extract of the Conclusions of the 12th ILO Africa Regional Meeting, Johannesburg October 2011	42

FOREWORD

Lesotho Decent Work Country Programme Phase II

The adoption of the second phase of the Decent Work Country Programme for Lesotho is timely as country faces a number of challenges locally, regionally and internationally. The key programme priorities, namely employment creation, improved of social security coverage and strengthening of tripartism and social dialogue directly address the country's national goal on poverty reduction. The key priorities will also assist our government in addressing a number of obligations at regional and international level enunciated in various regional instruments and ILO Conventions, which we have ratified.

I therefore call upon our social partners to continue to be supportive and assist our Ministry in achieving the goals of this programme, as they have been mutually set. We should all be proud that our Ministry is exemplary and a standard setter in having tripartite solutions to some of the country's social and economic problems within the world of work. Together we have been able to demonstrate the importance of consultations and participatory problem solving and team work.

I would like to thank the ILO, especially the Decent Work Team for Southern and Eastern Africa for the support, which they provided in producing this programme. I would also like to extend my gratitude to our social partners. Your continuous belief in social dialogue is a pillar of strength and an anchor, which will always assist the Government to achieve the country's national goal on poverty reduction.

Khotso! Pula! Nala!



Honourable Mrs Maphoka Motoboli (MP)
Minister of Labour and Employment

Executive Summary

In every Member State, the International Labour Organization (ILO) promotes decent work as a national objective and assists national partners to make progress towards the attainment of this goal. A Decent Work Country Programme (DWCP) is the main vehicle for ILO cooperation over a period of four to six years in a particular country. Decent work carries with it a concern for jobs and the quality of those jobs, including workers in the care economy and private households who are predominantly women and migrants.

The ILO introduced Decent Work Country Programmes in 2004 to promote the Decent Work Agenda that is, to promote rights at work, productive and decent employment opportunities; enhance social protection and strengthen social dialogue. The first phase of the Lesotho DWCP: 2006-2009 primarily focused on two priorities: **employment creation and extension of social security** and six related outcomes.

The second phase of the Lesotho country programme to be implemented during the period 2012 to 2017, is a product of extensive consultation between the national constituents: government, employers' and workers' organizations and the ILO. It is an expression of a commitment by all the parties to work in partnership with relevant government departments, UN agencies and other development partners towards the attainment of the desired national objectives and to better integrate decent work commitments into operational policies and programmes.

The key elements of this DWCP document include a brief description of national socio-economic context, main trends and issues related to decent work or lack of it, decent work deficits; limited number of priorities and outcomes with indicators and a brief strategy for each outcome. The document recognizes the significance of employment promotion, particularly youth employment; social protection; tripartism and social dialogue and the effective promotion of internal labour standards including gender equality as central to a country programme of assistance to Member States. The DWCP outcomes are closely aligned to the Lesotho's national development frameworks, the United Nations Development Assistance Framework, National Strategic Development Plan. Management arrangements for planning, monitoring and reporting of DWCP implementation are also briefly described.

The application of the results-based management approach is central towards the attainment of measurable results in the world of work. Successful implementation of the DWCP will also largely depend on effective partnerships and improved coordination amongst government ministries/departments to maximize the use of limited resources. The implementation plan and monitoring plan are internal management tools that are separate from the public DWCP document.

The Lesotho DWCP II was finalized and signed when the global economic recovery from the crisis was sluggish, a considerable downside risk for Lesotho. The Euro-zone sovereign debt-crisis is also one of the major risks that may have an adverse impact on Lesotho's economy and the realisation of decent work outcomes.

Abbreviations

ADB	African Development Bank
AGOA	African Growth and Opportunity Act
ALEB	Association of Lesotho Employers & Business
APEC	Action Programme on the Elimination of Child Labour
CPR	Country Programme Review
BOS	Bureau of Statistics
BWL	Better Work Lesotho
CEACR	Committee of Experts on Application of Conventions and Recommendations
COLETU	Congress of Lesotho Trade Unions
DaO	Delivering as One
DSC	Decent Work Country Programme Steering Committee
DWCP	Decent Work Country Programme
GDP	Gross Domestic Product
GOL	Government of Lesotho
ILO	International Labour Organization
IOM	International Organization for Migration
KAB	Know About Business
LBLC	Lesotho Business and Labour Coalition on HIV and AIDS and TB
LECODU	Lesotho Congress of Democratic Unions
LFS	Labour Force Survey
LLC	Lesotho Labour Council
LMIS	Labour Market Information Systems
LTEA	Lesotho Textile Exporters Association
LTUC	Lesotho Trade Union Congress
MDGs	Millennium Development Goals
MGYSR	Ministry of Gender, Youth, Sports and Recreation
MOLE	Ministry of Labour and Employment
MSMEs	Micro-, Small-, and Medium- scale Enterprises
MTIMC	Ministry of Trade, Industry, Marketing and Cooperatives
NACOLA	National Advisory Committee on Labour
NACOSH	National Advisory Committee on Occupational Safety and Health
NEP	National Employment Policy
NSDP	National Strategic Development Plan
PRS	Poverty Reduction Strategy
QAM	Quality Assurance Mechanism
SACU	Southern Africa Customs Union
SADC	Southern African Development Community
TVED	Department of Technical and Vocational Education
UN	United Nations
UNCT	United Nations Country Team
UNDAF	United Nations Development Assistance Framework
UNDP	United Nations Development Programme

1. Introduction

The DWCP: 2012-2017 is a results-oriented, operational and strategic framework, formulated in consultation with the tripartite constituents: government, employers' and workers' organizations and the ILO. It is a framework to harness collective effort of national and the development partners at the country level “to provide women, men and young people with all they demand and deserve: the dignity of decent work for a decent life.”¹

The national partners and the ILO commit to work in partnership with other development partners within the framework of the United Development Assistance (UNDAF) and the Delivery as One (DaO) initiative towards the attainment of measurable results in the world of work, changes that will matter to workers, employers and the Government of Lesotho (GOL). The ILO continues to pursue its founding mission to promote social justice as a basis for universal and lasting peace.

This second generation DWCP for Lesotho is centered on three country programme priorities: employment creation for all, particularly the youth, women, and retrenched workers; social protection (with a focus on social security, including improved conditions of work and occupational safety and health and strengthening of workplace responses to the HIV/AIDS epidemic); tripartism and social dialogue. The application of international labour standards and gender equality are integral to the planning and implementation of this DWCP.

The Decent Work Agenda – employment, rights at work, social protection and social dialogue, provides an effective response to address decent work “deficits” and place full and productive employment and decent work at the centre of national development strategies. With gender-equality as a guiding principle, the ILO promotes decent work for all.

For most people and their families as well as communities, the principal route out of poverty and the key to minimizing the risk of falling into poverty, is decent and productive employment. Decent work sums up the aspirations of people worldwide in their working lives – their aspirations to opportunity and income; to rights, voice and recognition. The aforementioned has implications for the design of employment-friendly macroeconomic framework at the country level for the creation of decent jobs to accelerate progress towards the attainment of the Millennium Development Goals (MDGs) as well as the 2004 African Union Declaration on Employment in Africa.²

The formulation of this DWCP was informed by the outcome of the review of the implementation of the first phase of the Lesotho DWCP, the national socio-economic development priorities set out in the National Strategic Development Plan (NSDP) and the ILO's comparative advantage as outlined in the ILO's Strategic, the Policy Framework: 2010-2015, the Decent Work Agenda for Africa: 2007-2015, the Ouagadougou Summit Declaration and Action Plan: 2004, as well as the ILO's Programme and Budget: 2010-2011 and 2012-2013.

¹ Report of the ILO Director-General, 11th ILO Africa Regional Meeting, Addis Ababa, April 2007.

² Declaration on Employment and Poverty in Africa, adopted at the African Union 3rd Extraordinary Session on Employment and Poverty Alleviation, Ouagadougou, Burkina Faso, Sept. 2004.

2. Country Context

2.1 Economic Overview

With a per capita income of around US\$1,000, above the 2010 target of US\$ 600, Lesotho is now classified as a lower-middle income country. The country is located at heart of the largest and most sophisticated economy in Africa, South Africa, giving it access to good transportation links to the rest of the world. It is a member of the Southern African Development Community (SADC), the Southern African Customs Union (SACU), and the Common Monetary Area (CMA), which have played a central role in shaping its fortunes. Its only neighbour, the Republic of South Africa (RSA), is Lesotho's main trading partner, accounting for nearly 90% of its imports and approximately half of its exports.

GDP growth has averaged 3.9% over the last 30 years (driven by high growth in the secondary sector at 7.5%). However, this has not resulted in increased employment and a decrease in poverty levels in the country. Although the mining sector continues to make a significant contribution to the country's economic growth, it remains an economic enclave with limited direct contribution to employment creation and poverty reduction.

Lesotho's economic activity is greatly influenced by international, regional economic and financial developments. It is adversely affected by the fast deteriorating global environment as demand weakens. Following the recession in the United States (US), there has been a decline in aggregate demand for clothing and textiles by US consumers resulting in reduced textile exports from Lesotho. On the positive side, receipts from the common SACU revenue pool have increased from 2.8 billion Maloti (US\$350 million) awarded in 2011/12 to 5 billion Maloti (US\$625 million) for 2012/13. Given that, SACU receipts are a major component of government revenue, this increase coupled with constrained government expenditure has led to a decline of the budget deficit from 17% to 0.9%.

Traditionally, Lesotho has been highly dependent on inflows of workers' remittances and receipts from SACU; however, with declining SACU and donor funds experienced in the last five years, the GOL explored other revenue bases and introduced treasury bonds in 2011. The introduction of the bonds is expected to ensure a robust development of the local economy and forms part of the financial sector reforms that seek to place Lesotho at par with the rest of the world.

One of the major challenges the country has to grapple with include the sustainability of the textile and clothing industry as well as the diversification of the export market (for textiles and clothing) from an over reliance predominantly on the US market. Over 80% of Lesotho's textile and garment exports are destined for the US market.

The development of the country's tourism sector to become a competitive tourist destination in the SADC region is largely constrained by the lack of capacity and limited investment associated with poor promotion and integration into the region as well as the absence of linkages with international tourism operators including the more advanced tourism sector in South Africa. This has resulted in the general perception of massive unexploited potential for the country's tourism.

2.2 Social Overview

Despite the socio-economic progress made in the last decade, approximately 56.3% of the population of 1,9 people continue to live below the national poverty datum line.³ Seventy-seven (77)% and 23% of the population live in rural and urban areas respectively and 58% of the population is under 19 years. Women make up 51% of the total population, of whom 36% live below the poverty datum line and more than half of households are female-headed.⁴

Lesotho's progress on the MDGs is mixed. While there is some progress, for example, in education through a concerted and deliberate strategy led by the GOL, the goal on eradication of extreme poverty and hunger is off-track and other areas are showing enormous challenges. Even where there is progress, it will require concerted effort to ensure a sustained focus on those areas that are showing good progress. The scourge of HIV/AIDS is the single greatest obstacle towards the achievement of the MDGs in Lesotho.

2.3 The HIV and AIDS pandemic

With a prevalence rate of 23.2%, the country has the third highest adult HIV prevalence in the world. Active members of the labour force have been the worst affected with the majority of those infected in the age bracket 15-49 years: 26% of whom are women and 19% of men, “constitute almost 75% of all reported cases”. (Kimaryo et al: 69) Internal and external migration has largely been a factor in fuelling the high rate of HIV/AIDS infection in the country. The HIV and AIDS epidemic has made children's situation more precarious, and therefore a major influence on Human Trafficking. Children whose parents become infected and later become ill and eventually die are affected in many ways. Educational opportunities are compromised as children are withdrawn from school to care for ill family members, their siblings are vulnerable to the lure of Human Traffickers offering educational and work opportunities.

2.4 Education and Skills Development

Although Lesotho has achieved substantial gains in education since introducing free primary education in 2000, there is a lack of vocational/ skills training opportunities and facilities for young women and men who drop out of school before completing primary and secondary education. Training programmes that are available are not market driven resulting in a mismatch between the supply and the demand for labour, partly due to an education system that is not effectively coordinated with labour market requirements.

Despite the GOL's previous bold steps to improve the quality of education, many stakeholders have expressed concern with respect to the existing curriculum that is often viewed as too academic with minimum practical skills essential for the integration of graduates into the labour market (PRSP, 2004). Young women and men from these institutions remain as job seekers rather than job creators despite the technical skills acquired.

Lack of employable skills is one of the major constraints with negative impact on the development of Micro-, Small-, and Medium- scale Enterprises (MSMEs), particularly with respect to growth-oriented enterprises. The level of technological development for MSMEs is also poor. Despite the existence of

³ UNDP (2010): Human Development Report – The Real Wealth of Nations

⁴ Moleli-Habi, M. and Liphapang-Sefako M. (2011): Population Dynamics and HIV and AIDS: Situation Analysis in the Context of National Development Planning in Lesotho – Government of Lesotho.

large foreign-owned firms, especially in the textile and garment sector, which have benefited from doing business in Lesotho over many years, past support to this and other sectors has not been linked to MSME development to any significant extent.

3. Employment and the Labour Market

Past macro-economic policies and programmes have not adequately address employment promotion resulting in less than desired impacts on employment creation, particularly for youth employment. In addition, employment creation has not been a central objective of national development strategies in Lesotho. The lack of, responsive labour market policies as well as supportive labour market information systems have worsened the bleak unemployment situation in the country.

Hence, the consistently high levels of unemployment estimated at 23% worsened to 29.4% in 2009⁵ because of the impact of the global economic crisis, mostly fuelled by retrenchments in the fragile garment sector in Lesotho and the shrinking mining sector in South Africa. According to the 2008 Integrated Labour Force Survey, the unemployment rate is 21.2% for male and 24.6% for female. The labour force participation rates were 72.6% for men and 55.3% for women, implying that fewer women than men participate in the labour market.

The United Nations Economic Commission for Africa Report on Africa (2005) estimates show that youth unemployment in Lesotho is extremely high at 47.40%. This confirms a trend observed since 1997.⁶ Lesotho has a relatively large and young labour force, estimated at 54%.

3.1 Employment Sectors

The private sector is the largest source of formal employment contributing to 30% of total employment, with private household employment estimated at 22.2 %; the public sector accounts for 5.5 %, parastatals account for 1.6 % and, 22% of the country's labour force is employed in the informal sector of the economy.

Subsistence agriculture continues to be the mainstay of the country's livelihoods, with 40.6% of the economically active population (15 years and above) engaged in subsistence farming. Agricultural activities account for 7% of the country's GDP. Most of the retrenched mineworkers in South Africa's mining industry also resort to subsistence agriculture. National statistics show that approximately 68.6% (1999) of the labour force is engaged in subsistence agricultural activities, up from 50% in 1997. The sector is characterized by extreme levels of underemployment with respect to both remuneration and declining agricultural productivity.

The informal sector Official statistics show that labour force participation in the informal sector is 53 % for men and 47 % for women, where large numbers of small business owners, including the youth operate. The sector ranks second to subsistence agriculture in terms of labour absorption.

Like subsistence agriculture, the informal sector is characterized by non-standard employment relationships. Labour relations where they exist, are based mostly on casual employment, kinship or personal and social relations rather than contractual arrangements with formal guarantees. The

⁵ Bureau of Statistics, Labour Force Survey 2008 and Continuous Multipurpose Survey 2009

⁶ The observed trends in youth unemployment have been aggravated by several factors which include the global economic and financial crisis, the shrinking labour market resulting from job losses resulting from challenges facing Lesotho and her neighbours, in particular South Africa.

regulation of working conditions such as wages, working time, social security schemes, maternity protection etc is generally non-existent for informal sector workers. Regulating and preventing child labour is also a major concern particularly where the coverage of the labour inspectorate does not reach the unregulated informal sector activities.

The textile and garment industry Lesotho has taken advantage of the African Growth and Opportunity Act (AGOA) to become the largest exporter of garments to the US from sub-Saharan Africa. However, the industry is at risk of changes in trade policy of importing countries, particularly from the US. The apparel industry, largely dependent on the preferential trade opportunities created by the AGOA,⁷ is the largest formal employer in Lesotho, as it accounts for nearly 50% of the formally employed workforce. In 2009, 36 factories employed approximately 40,000 workers, representing 80% of all jobs in Lesotho's manufacturing sector. Women hold 80-85% of jobs in the garment sector. Surveys within the sector show that 46% of employees are HIV-positive. Minimum wage negotiations have been controversial, partly due to the lack of clear set criteria for wages adjustments.

Although to date a limited number of factories have closed down because of the impact of the global financial crisis, there has been, nonetheless a significant number of retrenchments in the industry. According to employers, employment is declining in tandem with the decline in orders. Whilst social dialogue is ongoing in some factories, collective bargaining is rare. According to representatives of the workers, it is difficult to unionize workers in the sector as a significant portion of the workforce is contracted by the factories on a temporary basis.⁸

3.2 Child Labour

The 2008 Labour Force Survey estimates that 3% of children (6-14 years old) were participating in economic activities in the country. The recorded activity rate is low. There is a lack of data on children's participation in what the Labour Force Survey are considered as "non-economic" activities, may prevent children from attending school or negatively impact on their performance at school, and which would thus constitute child labour. The prevalence of child labour may therefore be a much bigger problem than suggested by national estimates, which show that 66 % of child workers are engaged in subsistence farming and the remaining proportion is largely engaged mainly in private households. Child labour is predominantly higher amongst boys (86.6%) than girls (13.4%) irrespective of the type of economic activity considered.

3.3 Internal and International Migration and Trafficking In Persons

Internal migration involves population mainly from the districts mostly in the eastern part of the country to those in the northern and western parts. An important factor is the mountainous nature of the out-migration areas, with harsh winter conditions. The outward migration districts are also least developed, thus offering very little opportunities for individual development. Internal migration is age - and gender - selective, with majority of internal migrants falling in the age bracket 15-29 years and predominantly female. Emerging trends in internal migration have been observed among children since 2001.

International migration, in particular emigration to South Africa, is more pronounced than internal migration. The vast majority of emigrants are men within the working ages of 15-54 years, while women often tend to be within age bracket 20-44 years.

⁷The AGOA allows apparel producers in Africa to use non-African fabric for apparel production, while still qualifying for duty free access to the US market until 2012.

⁸ Some employers hire for one year, terminate employees in December and then re-hire the same employees in January putting them back on minimum wage and into another cycle of probationary employment. Since workers may not join a union until after the 4-month probation period, there is virtually no trade union membership during the first part of the year.

Human trafficking is another emerging challenge related to poverty and unemployment. Unemployment makes it easy and possible for traffickers to lure vulnerable people, particularly young women, into non-existent lucrative jobs. Worst forms of Human Trafficking such as commercial sexual exploitation of children, children used as domestic workers or herd boys or children used in street work are found in the country. The International Organization for Migration (IOM) 2003 research report indicated that street children from the capital Maseru are trafficked out of the country by long-distance truck drivers for sexual exploitation in neighbouring countries. The IOM notes that children are either forcibly abducted or they are lured largely to South Africa on false promises of employment.

4. Fundamental Principles and rights at work

The country has ratified 23 International Labour Conventions, of which 22 are in force, including all 8 fundamental core Conventions, human rights instruments of the ILO. The implementation of ratified conventions has not always been effective largely due to capacity challenges in ensuring enforcement, compliance and timely submission of relevant reports in accordance with the ILO constitutional obligations. The last ratification of ILO Conventions in Lesotho was in 2001.

5. Gender Equality

Lesotho has made significant progress towards the attainment of gender equality. Some milestones in regard include amongst others; the removal of legal minority status of married women which had impact on access and control over productive resources such as land, finances, information and technology as well as the enactment of Legal Capacity of Married Persons Act in 2006 allows women to register property in their names.

Despite the numerous efforts against gender based discrimination, most female workers still remain disadvantaged and continue to be employed in poorly paid sectors of the economy especially, in the textile and garment industry as well as domestic work. For example, in the textile sector, there is no legal obligation for female workers to be paid whilst on maternity leave and any payment is at the discretion of the employer.

6. Disability

About 3.7% of Lesotho's population has some form of disability that requires a service. This corresponds to approximately 70,000 people (SINTEF, 2011). Most people with disabilities are socially and economically marginalized and often face even higher barriers to starting and running businesses. Challenges range from poor attitudes of service providers to physical access to support institutions make it extremely difficult to contribute to the economy. In addition, there is little evidence on the promotion of employment of persons with disabilities in the country.

7. Social Protection

7.1 Social Security Reform

Lesotho does not have a comprehensive contributory-based social insurance scheme covering workers and their dependants. Social security reforms towards the establishment of a comprehensive national scheme were first initiated more than ten years ago. Social partners have continued to express frustration over lack of progress and commitment from the GOL to finalize the draft Social Security policy and legislation for the implementation of the long envisaged National Social Security Scheme.

Recent policy reviews point out that “the current social protection measures are inadequate and do not meet the growing demands of a complex labour force that operates under the current environment of globalization and liberalization, which demands highly flexible workforce that is easily adapted to changes in the labour market”.⁹

In the absence of a mandatory contributory pension system, the bulk of the workforce, including those working in formal waged employment, notably and foremost in MSMEs, are not covered by any contributory retirement scheme. Other dispositions regarding short-term risks such as occupational/industrial injury, sickness, maternity protection are outdated according to international and regional standards and practices. These represent an undue burden on the economy. Trade union federations are keen on extending coverage to include informal sector workers.

The lack of portability of South African social security benefits in relation to both ex-mineworkers and non ex-mineworkers from Lesotho, and their dependants remain a daunting challenge. Former migrant workers returning to Lesotho who wish to access South African social security benefits face daunting regulatory, administrative and institutional challenges. The confusion is exacerbated by the fact that most returning migrant workers simply have no or limited knowledge about their social security status in South Africa and the relevant benefits applicable to them. As a result, many widows, orphans and dependants of deceased migrant workers have limited access to South African social security benefits and therefore face utter destitution in Lesotho.

7.2 Occupational safety and health conditions in the workplace

Lesotho has neither ratified nor adopted the Promotional Framework for Occupational Safety and Health Convention No. 187. Many enterprises fail to integrate worker's wellness programmes as part of business concerns leading to poor work ability and productivity.

The recent Gazettement and re-vitalization of the National Council for Occupational Safety and Health (NACOSH) is a clear manifestation of the high political will that exists to promote greater awareness of the importance of occupational safety and health in the workplace to ensure compliance with laws concerning working conditions at all levels. Drug and alcohol abuse in the workplace and HIV/AIDS often lead to health-related problems for the labour force particularly women workers and low productivity for enterprises.

⁹Draft National Social Security Policy, Ministry of Labour and Employment, March 2002, p. 11.

7.3 HIV/AIDS and the world of work

The Labour Code Amendment 2006 enjoins all employers to have workplace HIV/AIDS policies and programmes. Employers are also called upon to consult with employees or their unions in the design and implementation of the workplace HIV/AIDS education programmes. Recent surveys show that 43% of employees in the sub-sector are HIV-positive, jeopardizing the sustainability of the country's economic mainstay – the textile and garment industry.

In 2009, the Private Sector established the Lesotho Business and Labour Coalition on HIV and AIDS and TB (LBLC). This recent accelerated institutional response to the HIV and AIDS epidemic in the Private Sector brings together employers' and workers' organizations to foster links between the private sector institutions, key government institutions and civil society organizations with the ILO providing technical management assistance.

8. Tripartism and Social Dialogue

The Labour Code Order No.24 1992, the country's main piece of labour legislation has established four main statutory bodies through which the social partners are consulted on national labour issues. These include, the National Advisory Committee on Labour (NACOLA), the Wages Advisory Board (WAB), the NACOSH and the Industrial Relations Council.

The NACOLA, chaired by the Principal Secretary, Ministry of Labour and Employment is a tripartite structure with statutory powers to advise the Minister of Labour and Employment on a range of issues including amongst others; any proposed legislation or amendments thereof, affecting labour, employment, industrial relations or working conditions in the country.

The WAB reviews minimum wages and standards of employment on an annual basis and makes recommendations on minimum wage adjustments to the Minister of Labour and Employment accordingly. However, the Labour Code does not provide clear criteria on which the board shall base its recommendations, and minimum wage adjustments – in particular in the textile, garments and leather sector are often disputed between the employers and workers' representatives.

The lack of an inclusive social dialogue mechanism and platform in the country makes it difficult for the employers and workers' organizations to effectively participate in the discussion and contribute to solutions for the country's socio-economic challenges. In particular, the narrowness of existing social dialogue mechanisms implies that many key national stakeholders do have a platform to influence the formulation and implementation of national development policies, programmes and strategies.

Despite the perceived long history of social dialogue in the country, the practice of social dialogue remains ineffective and uncoordinated largely because of the multiplicity of social dialogue institutions, overlapping of functions and mandates of the institutions. This has often resulted in union rivalry and inadequate capacity of social partners to effectively influence social, economic and governance policies, programmes and strategies.

9. Social Partners

9.1 The Association of Lesotho Employers and Business (ALE&B)

The association, established in 1961 to facilitate dialogue between government, employers and the workers is registered in terms of section 173 of the Labour Code Order No. 24 of 1992 as an employers' organization. Its membership is open to all employers and provides services that range from provision of advice, legal representation, business start up and training.

Whilst ALE&B is currently the most representative employer organization in the country, the association's challenges include amongst others, lack of ability to attract membership from the indigenous small and medium sized enterprise sector, fragmentation and multiplicity of employers' associations that often weakens the position of employers in social dialogue.

9.2 Lesotho Textile Exporters Association (LTEA)

This is a voluntary association of textile and apparel manufacturers established as a “friendly society” under the Lesotho Friendly Societies Act in 1993. The Association represents the majority of Lesotho's export oriented textile and garment manufacturers. As of February 2011, LTEA represented 70% of the country's garment manufacturers, who collectively employ about 75% of the total workforce engaged in the sector. LTEA is one of the major national partners in the implementation of the Better Work Lesotho Project, part of the cooperation agreement between the ILO and the International Finance Cooperation.

9.3 Labour Federations in Lesotho

There are four trade union centers in the country, the Congress of Lesotho Trade Union (COLETU), Lesotho Congress of Democratic Unions (LECODU), Lesotho Trade Union Congress (LTUC) and the Lesotho Labour Council (LLC). The labour federations have hitherto focused on limited areas of working conditions such as collective bargaining issues (on wages, hours of work, maternity etc).

The participation and contribution of trade unions in broader national dialogue and governance issues has not been effective enough to promote the interests of their members. Freedom of association continues to be an unresolved challenge particularly with respect to public service employees who are restricted from forming/joining trade unions and do not enjoy the benefits of collective bargaining mechanisms, a challenge that has been brought to the attention of the ILO.

A major challenge in Lesotho, as is in many countries in Africa and elsewhere is that employers' and workers' organizations have limited capacity to provide relevant services to existing and potential members. There has been lack of progress in the finalization of the key national policies and legislative frameworks despite the extensive tripartite consultations. Hence, the social partners have expressed frustration on the perceived lack of progress and commitment from the GOL to finalize and implement the draft National Employment Policy and, the draft Social Security Policy and legislation for the implementation of the long envisaged comprehensive national social security scheme.

10. Alignment with National Development and Policy Frameworks

The Lesotho DWCP II is closely aligned with the NSDP and the UNDAF. The delivery of DWCP outputs and related outcomes seek to address the identified decent work deficits, as well as contribute towards the attainment of the country's socio-economic objectives outlined in the major national development frameworks outlined below.

10.1 National Vision 2020

This long-term national development plan launched in 2003 articulates the country's twenty-year strategic framework. Vision 2020 constitutes the overall framework, within which the country's short to medium term development plans are developed and implemented and, states that by 2020,

“Lesotho shall be a stable democracy, a united and prosperous nation at peace with itself and its neighbours. It shall have a healthy and well developed human resource base, a strong economy, a well managed environment and an established technological base.”

10.2 Poverty Reduction Strategy: 2004/05–2007/08

The strategy was published in 2004 to map out development efforts that were required to set the country on a path to achieve the goals and priorities outlined in the Vision 2020. Employment creation and income generation was one of the eight pillars of the poverty reduction strategy.

10.3 National Strategic Development Plan: 2012/13-2016/17

The framework implementation strategy of the National Vision 2020, seeks to reduce poverty, increased economic and social participation and reduced vulnerability and achieve sustainable development, the following six strategic objectives will be pursued over the plan period:

- High, shared and employment creating economic growth:
 - A sustained real growth rate of at least 5%,
 - Creation of at least 50,000 private sector jobs over the plan-period or 10,000 jobs each year will be created, expected to achieve the country's national objective of reducing unemployment from 24% at present to 18% by 2016/17 and to 15% by 2020, thus meeting the targets set by Vision 2020,
- Promotion of peace, democracy, good governance and effective institutions
- Development of infrastructure,
- Transformation of skills development institutions and improvement of skills and innovation base,
- Reversal of environmental degradation and adaptation to climate change,
- Improve Health, combat HIV and AIDS and reduce social vulnerability.

11. The United Nations System in Lesotho

The UNDAF is the primary vehicle for better-coordinated and collective effort of the UN agencies (both resident and non-resident agencies) operational in Lesotho. As part of the UN reform, the UN Country Team decided in 2008 to become a “self-starter” under DaO initiative. As the current Lesotho UNDAF: 2008-2012 ends, the support of the UN system will focus on the formulation and implementation of the NSDP. Hence, the next UNDAF cycle would run from 2013 to 2017 to ensure alignment with national development processes.

The Lesotho DWCP II is an integral part of the UN system's efforts to contribute towards the attainment of the country's socio-economic objectives as outlined in the NSDP. Implementation of the DWCP, focused on employment promotion and social protection within the context of the world of work will seek to contribute towards the delivery of five of the seven UNDAF clusters, namely; Governance and Institutions; Investment Climate, Manufacturing, Trade and Financial Services; Skills and Innovation; Agriculture and Rural Development; and Health, HIV-AIDS and Vulnerability.

12. Global Financial and Economic Crisis

The impact of the 2008/09 global economic and financial crisis was most evident through the following main channels: (a) the demand for textile and clothing products from Lesotho declined as a result of the economic slowdown in the US, the country's main export destination for garments and the resulting job losses; (b) significant decline in SACU revenues due to the economic slowdown in the South African economy, (c) weak prices for diamonds and reduced production and export of diamonds; (d) decrease in investment inflows which are essential for the country's economic development and, (e) reduction in worker remittances and contraction of the mining sector and related job losses in South Africa.

In response to economic challenges facing the country, the government initiated the preparation of the NSDP which emphasizes the necessity of achieving sustained economic growth as the most effective route for poverty reduction. The NSDP's main indicator for success will be the number of decent jobs added to the economy which represents the best way of achieving national objectives in terms of growth, poverty and equality.

13. Review of implementation of the Lesotho DWCP 1: 2006-2009

13.1 The Lesotho Decent Work Country Programme: 2006-2009

The first phase of the Lesotho DWCP was centred on two country programme priorities, increased employment creation for poverty alleviation and improved social security coverage and effectiveness, and the related six outcomes were also identified in consultation with the key national partners.

The implementation of three technical cooperation projects on Improving Labour Systems in Southern Africa; Elimination of the Worst Forms of Child Labour; HIV/AIDS Workplace Education project (all these projects have ended) and the Government-UN Joint Programme on Youth Employment Promotion were key towards the delivery of the outcomes of the first phase of the Lesotho DWCP.

The Country Programme Review (CPR) of the first phase of the Lesotho DWCP was conducted out during October 2009 and January 2010 in collaboration with the ILO Regional Office for Africa. The CPR showed that the implementation of the country programme was in general, below the expectations of the participants of the review process and the national partners.

13.2 Lessons learnt

Lessons learnt from the implementation of the first phase of the Lesotho DWCP include:

- The lack of an organizational arrangement or structure negatively impacted on effective implementation and monitoring of the country programme,
- Institutionalized monitoring and regular DSC arrangements which focus on consistent joint review of agreed results are crucial for achieving the expected results,
- Lack of ownership of the DWCP because of what was perceived as an ineffective consultation process,
- The need for training for national partners on the concept, process and content of the DWCP for Lesotho focusing on the link between the DWCP as a vehicle for the delivery of the Decent Work Agenda,
- Effective implementation of the Lesotho DWCP II could be realized through strategic partnership with relevant UN agencies, key government ministries/departments and civil society organizations beyond the traditional ILO constituents,
- Cooperatives have a great potential in the social and economic development of Lesotho and it is important these enterprises encouraged and promoted to enhance employment creation particularly youth employment.
- Resource mobilization by all concerned stakeholders should be an integral part of the country programme from the design stage of the DWCP.

14. Formulation of the Lesotho DWCP II, 2012-2017

14.1 The Consultation Process

The identified country programme priorities, outcomes and the related outputs are a result of extensive consultations with the government, employers' and workers' organizations as well as the UN system in the country. The consultative process on the formulation of this DWCP is outlined below:

- This DWCP was partly informed by the recommendations, findings and lessons learnt from CPR of the implementation of the first phase of Lesotho DWCP:2006-2009,
- Circulation of draft document: internally within the ILO including the ILO's Regional Office, Quality Assurance Mechanism (QAM),
- Extensive consultations with the national partners throughout the formulation process, during the 2010/2011, The NACOLA endorsed the final draft document in September 2011,
- The Principal Secretary, Ministry of Labour and Employment presented the final draft DWCP to

- the Committee of Government Principal Secretaries in November 2011,
- The Honourable Minister of Labour and Employment presented the final draft DWCP document to informal sitting of Cabinet in November 2011,
- The ILO Pretoria Director presented the final draft document to the UN Country Team prior to the signing and launch of Lesotho DWCP II in February 2012.

Table 1 Key Result Areas for the Lesotho DWCP II: 2012-2017

Priority 1. Employment Creation for Poverty Reduction

1. Employment creation, particularly youth employment is mainstreamed in national development and sectoral planning frameworks.
2. Increased number of sustainable MSMEs that create decent jobs particularly, for young women and men, including misplaced textile and mine workers.
3. Improved competitiveness and productivity in the textile and garment sector.

Priority II. Social Protection Coverage

4. More people, including migrant workers, women, children and elderly persons have access to adequate and better-managed social security benefits.
5. Government and social partners respond more effectively to the HIV/AIDS epidemic in the workplace.
6. Workers and enterprises benefit from improved safety and health conditions at the workplace.
7. Government, social partners and civil society have improved capacity to effectively eliminate child labour, particularly the worst forms in Lesotho.

Priority III. Tripartism and Social Dialogue

8. Tripartism and Social Dialogue mechanisms are strengthened.
9. Improved capacity of social partners to effectively participate in social dialogue mechanisms.
10. Workers and enterprises benefit from good governance of the labour market and effective labour administration services
11. Employers and workers have strong, independent and representative organizations.

Gender-equality, social dialogue and international labour standards are recognized as central and critical cross-cutting themes while capacity development for the national partners remains an overarching objective of the Lesotho DWCP II

Country Programme Priority I: Employment Creation for Poverty Reduction

Outcome 1. Employment creation, particularly youth employment is mainstreamed in national development and sectoral planning frameworks.

This outcome seeks to promote employment creation, particularly youth employment to become a central objective of national development policies, programmes and strategies. Harmonizing employment creation and economic growth rates need to be encouraged as critical in achieving sustainable development and reducing poverty. The lack of responsive pro-employment and a supportive Labour Market Information System (LMIS) worsen the bleak unemployment situation in the country.

ILO technical support to the GOL through the Ministry of Labour and Employment and the social partners will focus on: (a) finalization of proposed National Employment Policy (NEP), (b) mainstreaming employment creation, particularly youth employment into NSDP and (c) implementation of the NEP. Policy advice and capacity development support will be provided on national level policy dialogue on employment promotion, particularly youth employment. Technical support will also include analysis of the sectoral strategies and developing pro-employment sectoral policies as well as towards the establishment of a harmonized youth-employment sensitive and functional LMIS.

Successful implementation of the national employment framework will largely be guided by the promotion of a partnership approach involving relevant UN agencies, key government ministries/departments, the private sector, labour federations and civil society as well as commitment to mainstream employment creation within national and sectoral planning frameworks.

Indicators of Achievement:

- 1.1 *Number of policy measures, programmes and strategies that integrate employment creation particularly youth employment targets into sectoral planning frameworks and take into account gender-equality dimensions in employment and income opportunities,*
- 1.2 *Number of labour market information reports on national employment trends with disaggregated information by sector, gender and age is available is produced and disseminated regularly.*

Expected Outputs:

- 1.1 Employment creation particularly youth employment is mainstreamed into national development strategies, particularly the NSDP and the UNDAF.
- 1.2 Harmonized and functional labour market information systems is established and promoted within the context of the National Employment Policy.
- 1.3 The informal sector is promoted to transition to the formal economy.
- 1.4 Capacity of institutions for skills development strengthened to review and develop strategies that match the labour market demand for skills particularly the key economic growth sectors.

Outcome 2. Increased number of sustainable MSMEs that create decent jobs particularly for the youth, retrenched displaced mine and textile workers.

This outcome aims at enhancing the role of MSMEs to accelerated growth, job creation and poverty reduction in Lesotho. Several bottlenecks continue to constrain the ability of both formal and non-formal enterprises to realize their full potential. A number of challenges with respect to the institutional coordination mechanism for MSME development which has resulted in several uncoordinated programmes being implemented targeting the same clients.

The ILO will collaborate with MTICM and relevant UN agencies towards the implementation of national entrepreneurship development policies and programmes for the creation of productive employment for decent work. ILO technical support will focus on the promotion of the contribution of cooperatives to employment and income support, entrepreneurship education and green employment promotion through enterprise development. The strategy will pay particular focus on young people, marginalized women as well as retrenched workers, including strengthening the capacity of the national partners to implement 2011 national MSME policy and to integrate gender-equality and disability perspectives into national development programmes and strategies.

Indicators of achievement:

- 2.1 *Proportion of institutions that implement entrepreneurship strategies or value chains in priority sectors of the economy, focusing on cooperatives, youth and women's associations,*
- 2.2 *A national association of network of trainers and organizations with skills to support the delivery entrepreneurship programmes focusing on young people, women and people with disabilities is strengthened.*

Expected Outputs:

- 2.1 Viable enterprises including, cooperatives for young people (including school cooperatives) and women's associations are promoted,
- 2.2 National partners adopt market-oriented entrepreneurship skills training approaches that incorporating persons, incorporating people with disabilities,
- 2.3 Revamped curricula focused at inculcating entrepreneurial culture amongst women and young people is adopted and implemented at all level including TEVT institutions,
- 2.4 A plan of action developed on the promotion of the 2009 national cooperative policy, the financial cooperatives policy and legislation on the development of cooperatives.

Outcome 3. Improved competitiveness and productivity in the textile and garment sector.

The NSDP identifies the four main economic sectors as the key drivers of economic growth in Lesotho and these are manufacturing, agriculture, tourism and services. This outcome seeks to contribute towards the formulation of a private sector development strategy particularly with respect to the sustainability and improved employment creation potential of the textile and garment sector, a sub-sector of the manufacturing sector in Lesotho.

The Better Work Lesotho (BWL) Project seeks to expand decent work opportunities in targeted export industries and has adopted a multi-faceted approach aimed at developing high levels of compliance in the country's garment industry with the National Labour Law, International Core Labour Standards and best practice, as well as promoting the industry's competitiveness. Specific project interventions will focus on improved capacity of Basotho nationals in the following areas: management, production skills and productivity skills in the garment industry.

Indicators of achievement:

- 3.1 Number of enterprises that show progress in improving their compliance with national labour law and international labour standards,*
- 3.2 Number of issues raised by Better Work Lesotho project that are integrated into official government policy discussions, either in Lesotho or in neighbouring countries.*

Expected Outputs:

- 3.1 Increased enterprise compliance with the national labour law and core international labour standards,
- 3.2 Enterprises have sustainable access to Better Work tools and approaches beyond the end of the project in 2014,
- 3.3 A sustainability plan to support the on-going operation of the BWL developed with effective participation of all relevant national stakeholders.
- 3.4 Lessons learnt and regulatory gaps identified are integrated into government policy discussions, sub-regional and international policy debates, and strategies on the sustainability of the textile and garment industry in Africa.

Country Programme Priority II: Social Protection Coverage

Outcome 4. More people including migrant workers, women, children and elderly persons have access to adequate and better managed social security benefits.

This outcome seeks to promote the establishment of the comprehensive national/public contributory social security scheme. The long envisaged scheme would be based on the proposed social security reform developed with the support of the ILO to improve the protection of workers and their families through new and improved benefits, in accordance with International Standards and principles, to achieve greater access and inclusiveness within the context of the country's labour markets. The proposed reforms will go a long way to address forms of discrimination and gender inequality.

The ILO in response to the GOL's request for technical assistance on the establishment of a social insurance based comprehensive national social security scheme, will provide support to draft a general and comprehensive social security law, which would provide legal provisions for each separate social risk (old age, workplace compensation, maternity etc.).

ILO support will also focus on strengthening the capacity of national partners to promote the establishment of the long envisaged comprehensive national/public contributory social security scheme, which will be integrated into the national development frameworks particularly the NSDP. Effective partnerships with, other government departments such as the Ministry of Finance and Development Planning, which has committed to providing technical and legal assistance to the proposed social security reform and other UN agencies and development partners are key for the realization of this outcome.

Indicators of achievement:

- 4.1 *A strategy for the development of a national comprehensive social security is endorsed by Parliament and Cabinet,*
- 4.2 *Number of people, including women and elderly persons receiving social security benefits is increased.*

Expected Outputs:

- 4.1 Enhanced capacity of constituents to promote the integration of social security reform into the national development frameworks, the NSDP and the UNDAF,
- 4.2 An actuarial report that seeks to enhance the viability of a national social security scheme is submitted to by government,
- 4.3 Increased support of key stakeholders for the establishment of the envisaged comprehensive national/public contributory social security scheme,
- 4.4 The legal framework, general and financial management and tripartite governance of social security in the country are improved,

- 4.5 Constituents have increased awareness of the significance of ratifying ILO social security conventions,
- 4.6 A plan to extend and improve the efficiency of the social security is developed and is linked to the NSDP.

Outcome 5. Government and social partners respond more effectively to the HIV/AIDS epidemic and incidence of Tuberculosis at the workplace.

This outcome aims to enhance the contribution of HIV/AIDS workplace policy and programmes in addressing the scourge of HIV/AIDS, which continues to be one of the most daunting socio-economic challenges facing the country. Social partners have limited capacity to effectively influence sectoral and national labour market governance.

ILO technical support will contribute towards the implementation of the HIV/AIDS National Strategic Plan within the context of the Joint UN Programme on HIV/AIDS. Focus will also be continued to support and enhance the capacity of the Business and Labour Council as the lead institution in the scale-up workplaces responses to HIV/AIDS. The HIV/AIDS workplace dimensions will also be integrated into the NEP to ensure that workplace programmes and strategies are put in place to effectively address HIV/AIDS epidemic and incidence of Tuberculosis in the workplace.

ILO support will also focus on scaling up universal access through the implementation of workplace policies and programme in line and advocacy and awareness on new ILO Recommendation 200.

Indicators of achievement:

- 5.1 *Number of government departments that have adopted and implemented programmes developed by a bipartite or tripartite HIV/AIDS workplace committee, based on the ILO code of practice as well as the ILO Recommendation,*
- 5.2 *Number of enterprises that have adopted and fully implemented programmes developed by a bipartite or tripartite HIV/AIDS workplace committee, based on the ILO code of practice as well as the ILO Recommendation,*
- 5.3 *Number of gender-sensitive tripartite HIV/AIDS workplace programmes developed endorsed and implemented at the enterprise level.*

Expected Outputs:

- 5.1 Strengthened capacity of the private and public sector, including the informal sector in workplace HIV and Aids policy and program development and implementation,
- 5.2 Employers, workers and their representatives implement policies and programmes to reduce stigma, discrimination and promote wellness in the workplace through existing coordinating structures,
- 5.3 HIV and TB integrated into labour inspection system for effective implementation of policies and programmes in the workplace,
- 5.4 Improved implementation of HIV and TB workplace policies and programmes through a strategic framework in line with the national response.

Outcome 6. Workers and enterprises benefit from improved safety and health conditions at the workplace.

This outcome will seek to promote the ratification and compliance with the Promotional Framework for Occupational Safety and Health (OSH) Convention No. 187. Many enterprises fail to integrate worker's wellness programmes as part of business concerns leading to poor work performance and productivity.

ILO technical assistance will focus on the development of a national OSH programme to improve working conditions within specific national targets for reducing non-compliance with the national labour code with respect to the reduction of occupational accidents, diseases and, on the promotion of a preventative safety and health culture at all levels. The domestication and application of Convention No. 155 (already ratified) and ratification and application of Convention No. 187 will be promoted.

Indicators of achievement:

- 6.1 *Proportion of labour inspections carried out more effectively and efficiently to help ensure application of OSH standards, as documented through evidence in periodic reports,*
- 6.2 *Number of regular meetings of the revitalized national tripartite mechanism,*
- 6.3 *Number of recommendations made by the tripartite mechanism to government on policies and programmes.*

Expected Outputs:

- 6.1 National OSH profile is developed or updated and validated by tripartite constituents,
- 6.2 National policy and/or sectoral policy measures adopted, on the basis of tripartite consultations aimed at promoting safety and health at work,
- 6.3 Domestication/application of the ratified Conventions No. 155 and No. 187 to promote a preventative safety and health culture at all levels,
- 6.4 Enhanced capacity of the NACOSH to collaborate with other key national role-players such as the Ministry of Health and Social Welfare in addressing improvement of working conditions in the country.

Outcome 7. Government, social partners and civil society have improved capacity to eliminate child labour, particularly the worst forms.

This outcome aims to strengthen the country's institutional and technical capacity for addressing child labour, including the implementation of the child labour provisions of the Children's Protection and Welfare Act as well as the Anti-Human Trafficking Act.

The ILO will support the GOL and key national partners to review and revise the existing draft within the context of the NSDP and the National Policy on Orphans and Vulnerable Children and relevant other relevant legislation. The review will, among other objectives examine effective approaches to addressing child labour in the rural sector and the urban informal sectors where child labour is

concentrated. To ensure multi-sectoral ownership and buy-in, the revision process will involve broad participation and consultation of stakeholders, government departments, social partners and civil society organizations.

Findings and recommendation of capacity needs assessment conducted after the revision of the APEC will guide capacity-building interventions for key national partners responsible for the implementation of APEC. These will also entail the establishment of a child labour unit within the labour inspectorate to handle the regulation and prevention of child labour particularly where inspectors' activities do cover the unregulated informal economy.

Indicator of achievements:

- 7.1 APEC revised is approved by Cabinet and implemented by one or more of the ILO constituents, to bring it in line with international labour standards to prohibit and eliminate child labour,*
- 7.2 Number of institutions using APEC implementing mechanisms to eliminate child labour,*
- 7.3 Government takes action to apply international labour standards, in particular to address concerns raised by the ILO supervisory bodies with respect to Convention No. 182.*

Expected Outputs:

- 7.1 Draft APEC reviewed, revised and validated thorough a broad consultative process and endorsed by NACOLA and Cabinet,
- 7.2 Capacity of key national partners responsible for the implementation of APEC strengthened in line with Convention No. 138 and No. 182,
- 7.3 Child labour unit is institutionalized within the labour inspectorate is developed to address issues on child labour particularly in the informal sector,
- 7.4 National child labour survey conducted, findings analyzed, and disseminated.

Country Programme Priority III: Tripartism and Social Dialogue

Outcome 8. Tripartite institutions and Social Dialogue mechanisms including key institutions such as NACOLA, the Wage Advisory Board are strengthened

This outcome seeks to revitalize existing sectoral and national tripartite institutions to enhance their capacity solve important national socio-economic challenges and effectively contribute towards the formulation, implementation and monitoring of national development policies, programmes and strategies.

ILO technical assistance will, during the duration of the programme focus on (a) the national partners' increased awareness and understanding of, the application, ratification, and compliance with the respective instruments, (b) the recommendation of review of the social dialogue institutions and mechanisms in the country carried out (collaboration with the UNDP) during the 2010/2011 programme cycle and, (c) promoting effective social dialogue beyond workplace concerns to influence national economic and development policies.

Guided by the Minimum Wage Convention, 1970 (No. 131), the ILO will provide support to the Wage Advisory Board to facilitate balanced negotiations that take account of the needs of workers' and their families and economic circumstances for example, maintaining employment levels and labour productivity.

Special heed will also be paid to application of ratified ILO Conventions No. 100 on Equal Remuneration for Men and Women Workers for Work of Equal Value and No. 111 on Discrimination in Respect of Employment and Occupation, the latter providing expressly for the obligation to declare and pursue a national policy to promote equality of opportunity and treatment.

Indicators of achievement:

- 8.1 *Number of key national economic, social and labour policies, and legislative frameworks finalized, adopted and implemented with effective participation of the social partners,*
- 8.2 *The national tripartite institution, NACOLA is revitalized: the mandate of the Council is expanded beyond labour and employment issues to include social and economic policy and its functions rationalized to avoid duplication of functions and competition,*
- 8.3 *2006 labour code Amendment Bill is adopted, The national labour administration system strengthened in line with International Labour Standards,*
- 8.4 *Proportion of minimum wage successful negotiations that proceed constructively on the basis of the agreed upon criteria that is supported by available statistics.*

Expected Outputs:

- 8.1 Enhanced capacity of social partners to effectively influence social and economic policies incorporating gender equality dimensions including compliance with ratified ILO Core Conventions Nos. 100 and 111 on Non-Discrimination,
- 8.2 Strengthened institutional capacity of existing national social dialogue mechanisms and processes in line with ratified Convention No.144,
- 8.3 Strengthened capacity for labour administration (to effectively apply up to-date labour legislation and provides effective services including cross border employment relationships and rights of migrant workers),
- 8.4 Tripartite constituents have increased awareness and understanding of the significance of the ratification, implementation and compliance with the ILO Conventions on social dialogue, particularly Convention No. 151 on Labour Relations (Public Service),
- 8.5 Employers and workers' organizations reach an agreement on the criteria to be used in setting minimum wages, in particular with respect to the textiles sector, and apply these in negotiation within the Wages Advisory Board,
- 8.6 Tripartite constituents have access to statistics and analysis to guide periodic review of the minimum wage system.

Outcome 9. Improved capacity of social partners to effectively participate in social dialogue mechanisms

Social partners in Lesotho are relatively weak in terms of the impact of their actions on the labour market governance as well as effective involvement in formulation, implementation and monitoring of national social and economic policies. This outcome seeks to address the low capacity of employers' and workers' organizations' to effectively influence policy formulation, implementation as well as compliance and reporting on International Labour Standards.

ILO support will focus on better integration of international labour standards and comments of supervisory bodies into the implementation of the Lesotho DWCP II, enhanced capacity of the employers' and workers' organizations to effectively influence national and sectoral policies, programmes and strategies.

Indicators of achievement:

- 9.1 *Number of position/research papers submitted by the social partners (separately or jointly) to the National Strategic Development Plan Clusters and other national and/sectoral policy debates,*
- 9.2 *Number of policies, programmes and strategies designed and implemented with effective participation of employers' and workers' organizations (separately or jointly),*
- 9.3 *Supervisory Bodies note with satisfaction or interest progress in the application of relevant Conventions.*

Expected Outputs:

- 9.1 Leaders of employer's and workers' organizations trained on the effective application of International Labour Standards in policy formulation particularly with respect to the three priority areas of the DWCP, employment promotion, social security including incorporating gender-equality perspectives,
- 9.2 Increased awareness and recognition of invaluable mechanism for policy formulation, implementation and monitoring national development programmes and strategies such as the NSDF, UNDAF, and other national development frameworks,
- 9.3 Enhanced capacity of employers' and workers' organizations to negotiate and monitor compliance with International Labour Standards.

Outcome 10. Workers and enterprises benefit from good governance of the labour market and efficient labour administration services.

The aim of the outcome is to promote and enhance the effectiveness of the labour administration and inspection systems as central pillars for good governance of the labour market. ILO technical support will be centered on the assessment of and recommendations of assessment of the labour administration system in accordance with Convention No. 150 on labour administration and Convention No. 81 on labour inspection. Lesotho has ratified both ratified Conventions. .

Indicators of achievement:

- 10.1 *Number of recommendations from the assessment of the Ministry of Labour and Employment that have been adopted and implemented to re-structure labour administration and inspection services in line with ILO Conventions No. 150 and No. 81,*
- 10.2 *Percentage of challenges identified by the labour inspectorate that have been effectively dealt with to enhance the effectiveness of the labour inspection system,*
- 10.3 *Proportion of labour inspectors that have adopted and implemented recommendations of programmes training on building modern and effective labour administration and inspections systems.*

Expected Outputs:

- 10.1 Labour administration system is re-structured to better manage and coordinate the application of up to date labour legislation and provide effective services,
- 10.2 Enhanced capacity of the Ministry of Labour and Employment to effectively collaborate with the social partners and other public institutions within the labour administration system,
- 10.3 A national tripartite mechanism on labour inspection among national stakeholders is set up for effective implementation of Convention No. 81 on labour inspections,
- 10.4 Information management system is reviewed operationalized,
- 10.5 MOU with the Ministry of Justice is institutionalised for regular joint staff training.

Outcome 11. Employers and workers have strong, independent and representative organizations.

This outcome aims to address the lack of capacity for the both the employers' and workers' organizations to strategically and effectively mobilize and represent the interest of the work force and business organizations and, provide relevant services to existing and potential members.

ILO support will build up on previous experiences and lessons learned, to strengthen internal management structures of both of employers' and workers' organizations, enabling them to develop new and improved services that make them more valuable to member enterprises. Strategic planning and staff competence building are essential in pursuing this aim. The ILO will provide technical assistance to the strategy for the social partners to enhance the awareness of the ILO's Decent Work Agenda and international labour standards.

Indicators of achievement:

- 11.1 Number of employers' and workers' organizations has updated strategic plans that are aligned to the Decent Work Agenda and incorporate training programmes that seek to increase effectiveness of management structures, practices and incorporating gender-equality perspectives in the workplace,*
- 11.2 Number of new services introduced or existing services improved during each biennium to strengthen the capacity of employers' and workers' organizations to respond to the needs of existing and potential members.*

Expected Outputs:

- 11.1 Employers' and workers' organizations have improved communication with both existing and potential membership,
- 11.2 Employers' organizations have extended and improved representation and services to MSMEs that include women-run and owned enterprises.
- 11.3 Employers' and workers organizations have greater knowledge of the Decent Work Agenda including the ILO's gender equality strategy,
- 11.4 A plan of action based on the recommendations of the 2010 sub-regional-wide study on the impact of the global financial crisis on the business environment in Lesotho is adopted and implemented.

15. Management and Institutional Arrangements

- 15.1 NACOLA will be the national consultative mechanism between government and the social partners on the implementation of the DWCP and is mandated to provide overall guidance leadership and assume responsibility for the effective implementation of the Lesotho DWCP. A sub-committee, the **Decent Work Country Programme Steering Committee (DSC)**, chaired by the by the Principal Secretary of the Ministry of Labour and Employment will be set up to take responsibility for the following functions:

- Provide committed leadership and high-level engagement in the process of the formulation of new and revision of the DWCP to respond to emerging issues,
- Provide strategic leadership in fostering stronger partnerships and effective coordination with other government ministries/departments outside the traditional ILO constituents and these include amongst other: Ministries of: Finance and Development Planning; Trade, Industry, Marketing and Cooperatives; Education and Training; Gender, Youth, Sport and Recreation, the Bureau of Statistics, Justice and other relevant national institutions,
- Promote sensitization of the concept of decent work, and the global Decent Work Agenda,
- Prioritization of country programme outputs for implementation during each year of two-year programme cycle,
- Ensure that the activities of the constituents and the ILO in the country are aligned to the DWCP outputs and outcomes,
- Participate the activities of the UN Country Team to ensure that the DWCP priority areas integrated into the UNDAF,
- Approval and overseeing of the design and implementation of technical cooperation projects to ensure that these contribute to the outcomes of the DWCP and the national development priorities,
- Monitor and report on progress on the implementation of the DWCP during quarterly NACOLA meetings.

15.2 **National Task Teams** on Employment, Social Security, Labour Market Information, Child Labour, International Labour Standards etc will be or have been set to ensure effective implementation of the DWCP outputs and outcomes.

The Task Teams are multi-stakeholder thematic task teams, will comprise technical experts from relevant government departments/ministries, social partners and other stakeholders. Chaired by a senior government official, each task team will assume responsibility for the timely delivery of DWCP outputs and outcomes and oversee the implementation of the proposed activities with the scope of the DWCP priority areas. Specific functions of each National Task Teams include:

- Formulation of new and revision of the DWCP to respond to emerging issues,
- Formulation and revision of the Results-Based Management tools – Annual Work Plans the Monitoring Plan,
- Interaction with national stakeholders responsible for the various activities within the respective outcomes,
- Design and monitoring technical cooperation projects to ensure that these are aligned to the DWCP and the national development priorities,
- Promotion of the Decent Work Agenda in national development frameworks, policies and programmes.

15.3 **Project Advisory Committees** and the respective Project Managers (Chief Technical Advisor or National Project Coordinators) will ensure that the implementation of technical cooperation projects is aligned with the outputs and outcomes of the DWCP for Lesotho. Project Managers

¹⁰ Conclusions of the 11th ILO African Regional Meeting, Addis Ababa, April 2007

will provide quarterly updates to either NACOLA or the respective Task Teams on the implementation of the respective technical cooperation projects.

16. Role of Government and the Social Partners

Senior government officials and leaders of employers' and workers' organizations will provide active and committed leadership in the process of DWCP formulation and implementation to ensure national ownership and high-level engagement. According to the conclusions of the 11th ILO African Regional Meeting, in Addis Ababa (April 2007), constituents are called upon to contribute actively towards the development, implementation, monitoring and evaluation of programmes as well as the mobilization of the required resources for the implementation of the Lesotho DWCP.¹⁰ The Conclusions of the 12th ILO Africa Regional Meeting in Johannesburg (2011), Annex 2 (attached) offer a useful guide and inspiration towards effective implementation of the Lesotho DWCP.

17. Role of the International Labour Organization

The ILO Pretoria Director is the ILO representative in Lesotho, and is responsible for the overall management of the ILO activities in the country, in collaboration with the Ministry of Labour and Employment as the principal entry point. The ILO Pretoria Office, the ILO Director will:

- Provide active and committed leadership in the process of DWCP formulation and implementation to ensure national ownership and high-level engagement.
- Provide effective political leadership in fostering stronger partnerships with the constituents, and with relevant UN agencies and other development partners.
- Ensure that the constituents and other implementing partners receive high quality, timely and well-coordinated services and the requisite technical support for the effective implementation of the DWCP outputs and outcomes.

ILO Technical Specialists, Regional Office for Africa; Turin Centre and HQ Technical Units

The Decent Work Support Team (based in Pretoria) in collaboration with the Programming Unit (Pretoria), the ILO Regional Office for Africa (Addis Ababa) and other relevant ILO HQ technical will provide high quality, timely and well coordinated services and the requisite technical support/policy advice in response to the needs of constituents for effective implementation of the DWCP. The ILO Turin International Training Centre (Italy) will provide cost-effective, demand driven and field-based capacity building support to constituents, especially at the country level.

18. Communication

The DWCP is a platform to communicate to all concerned- what and how the national partners and the ILO intend to achieve collectively to address the identified decent work deficits. It also provides a vehicle for the ILO to manage its collaboration with other UN agencies (through the UNDAF) and national partners in the country.

19. Monitoring and Evaluation

The DSC has made a commitment to regularly monitor and track progress made towards the attainment of measurable results – DWCP outputs and outcomes. In this regard, the DSC will report on the progress of the implementation of the country programme during the quarterly NACOLA meetings. National Thematic Task Teams will prepare semi-annual and annual progress reports, to be reviewed by NACOLA. The latter will also be submitted to Cabinet as part of an annual self-evaluation. The DWCP monitoring plan will be reviewed and updated periodically.

A Country Programme Review will be carried out in collaboration with the ILO's Regional Office and the national partners at the end of each two-year programme cycle. The CPR will seek to assess the design of the DWCP, examine performance against outcomes, and assess the actual delivery of against planned outputs, whether outputs are being converted into expected outcomes, and whether the strategies and partnerships are effective and efficient.

An independent country programme evaluation will be carried out in collaboration with HQ Evaluation Unit (EVAL), ILO Regional Office Programming Unit, the UN Country Team and national partners towards the end of the programme cycle during 2016 to 2017.

20. Estimated Resource Requirements

The national partners together with the ILO will provide strategic guidance in the mobilization of resources to support implementation of the DWCP for Lesotho. The DWCP for Lesotho provides an opportunity for the constituents and the ILO to secure development assistance in support of the identified national priorities, benefiting both ILO supported and other national programmes and projects.

A total of about US\$9 million, as outlined in Table 1 below will be required to deliver the outputs and outcomes of the country programme during the period: 2012–2017. Detailed budget estimates are outlined in the DWCP Implementation Plan and more accurate estimates will also be available at the programme/project development stage in consultation with the respective national stakeholders.

Table 2 Estimated Resource Requirements in (US Dollars): 2012–2017

Lesotho DWCP II Outcomes		Resource Mobilization Target (US\$)
Outcome 1	Employment creation, particularly youth employment	1, 100,000.00
Outcome 2	Increased number of sustainable MSMES create decent jobs	1, 350,000.00
Outcome 3	Improved competitiveness and productivity in the textile sector	1, 960,000.00
Outcome 4	Improved and extended social security	1, 600,000.00
Outcome 5	Effective response to the HIV/ AIDS epidemic in the workplace	550,000.00
Outcome 6	Improved safety and health conditions in the workplace	450,000.00
Outcome 7	Elimination of child labour, particularly the worst forms of child labour	480,000.00.
Outcome 8	Tripatism and social dialogue strengthened	400,000.00.
Outcome 9	Improved capacity to participate in national social dialogue processes.	464,000.00
Outcome 10	Effective labour administration services	530,000.00
Outcome 11	Employers and workers have strong, independent and representative organizations	250,000.00
	TOTAL ESIMATE RESOURCES REQUIRED	9, 134,000.00

21. Risks and Mitigants

- Successful implementation of the DWCP for Lesotho will largely depend on effective partnerships and improved coordination amongst Government Ministries such as: Finance and Development Planning; Gender, Youth, Sport and Recreation, Education and Training, and would enhance delivery of the DWCP outcomes. For example, the finalization and effective implementation of MSME policy, the NEP, trade policy and others will largely depend on the aforementioned partnerships.

Strengthened tripartite cooperation and national social dialogue including women, the youth and other civil society organizations for social inclusion would enhance the country's commitment to democratic principles and political stability in turn.

- The GOL's ability to utilize its own financial resources to achieve some of the DWCP outcomes is likely to be constrained by the significant decline SACU revenue inflows. The global economic downturn and the government's budget in the coming years will be considerably constrained, which will make the attainment of the MDGs more elusive.

The continued commitment of the UN Country Team towards improved coordination to of support of the development partners to address the country's development challenges within the context of the UN DaO initiative principles is expected to enhance opportunities for resource mobilization and delivery of the DWCP outcomes through partnerships amongst the UN agencies in Lesotho.

Glossary

Activity - actions taken to produce specific outputs from inputs such as funds, technical assistance, and other resources.

Baseline - information that provides a point of comparison to measure changes in the results of the programme- impact, outcome and outputs. Description of the situation at, or prior to, the start of the timeframe for the intervention, against which progress can be assessed or comparisons can be made. The first time that data is collected on the indicators, a baseline is established.

Targets - level of change/ achievements expected organization's commitment by the end of a given period. It states how much progress is anticipated towards outcome. Targets are the baseline measurement plus the amount of improvement one hopes to realize.

Targets are divided into time-bound (e.g. quarterly) increments called milestones.

Milestones - a milestone sets out how much of a target or what specific steps towards the targets will be completed by specific dates. These are time-bound increments towards the target.

These define what the programme aims to achieve by certain points in time (e.g. end of each year). Milestones tell us whether we are advancing in the right direction at the right pace to reach that destination as planned – or whether change is needed.

Data - specific quantitative and qualitative information or facts that are collected.

Decent Work - entails productive work where rights are protected, generating adequate income, with adequate social protection. Decent work carries with it a concern for jobs and the quality of those jobs. It also implies employment, income and social protection are achieved without undermining worker's rights and social standards.

The ILO defines "decent work" as secure work that respects core labour standards, guarantees adequate income and social security and respects the freedom to enter into social dialogue as well as the freedom of association.

Decent Work Deficits - workers throughout the world face a myriad of decent work deficits and these include amongst others: Gaps and exclusions in the form of unemployment and underemployment, indecent wages, insecure income, unsafe work, poor quality and unproductive jobs, rights that are denied at work, gender inequality; pay differentials between women and men, lack of representation and voice, shortcomings in social dialogue, inadequate protection of the worker in the face of job loss, disease, disability, and old age; discrimination at the workplace on the basis of sex, age, perceived or real HIV/AIDS status; minority status; and child labour.

Decent Work Agenda - the Decent Work Agenda an integrated approach to pursue the objectives of full and productive employment and decent work for all at global, regional, national, sectoral and local levels. The Decent Work Agenda has four pillars, international labour standards and rights at work, employment creation and enterprise development, social protection and social dialogue.

The ILO recognizes all four pillars of decent work as inseparable, interrelated and mutually supportive. The failure to promote any one of these strategic objectives hinders progress towards achieving others.

Gender equality and disability dimensions are recognized as critical themes that cut across the four strategic pillars.

Monitoring - routine tracking and reporting of priority information about a programme and its intended outputs and outcomes. Data are obtained through record keeping and regular reporting and observations.

Impact - positive and negative, primary and secondary long term effects, cumulative effect of programs over time on what they ultimately aim to change. Often, this effect will be a population-level health outcome, such as a change in HIV infection, morbidity, and mortality. Impacts are rarely, if ever, attributable to a single program, but a program may, with other programs, contribute to impacts on a population.

Indicator - a quantitative or qualitative variable that provides simple and reliable means to measure achievement, monitor performance, or to reflect changes connected to an intervention. A unit of information measured over time that can help show changes in a condition.

Outputs - the products, capital goods and services that result from a development intervention, the results of programme activities. This term relates to the direct products or deliverables of programme activities, such as the number of counseling sessions completed, the number of people reached, and the number of materials distributed.

Outcome – significant changes (policies, knowledge, skills, behaviours or practices etc.) the changes that a programme aims to effect on target audiences or populations, such as change in knowledge, attitudes, beliefs, skills, behaviors, access to services, policies, and environmental conditions. These normally relate to changes in institutional performance, or behavioral changes among individuals or groups.

Priority - a high-level long-term goal that is broadly shared by all partners which is:

- Important and valuable to the constituents and the ILO.
- Worth investments by ILO and constituents
- Worth engagement with other partners

Results - describable or measurable change resulting from a cause and effect relationship of the output, outcome, or impact of an intervention.

Results-Based Management - a management approach that directs organizational processes, products and services towards the achievement of measurable results to ensure that human and financial resources stay focused on the achievement of results throughout the project/programme cycle.

Annex 1

22 ILO Conventions ratified by Lesotho

Convention	Ratification date
C11 Right of Association (Agriculture) Convention, 1921	31:10:1966
C14 Weekly Rest (Industry) Convention, 1921	31:10:1966
C19 Equality of Treatment (Accident Compensation) Convention, 1925	31:10:1966
C26 Minimum Wage-Fixing Machinery Convention, 1928	31:10:1966
C29 Forced Labour Convention, 1930	31:10:1966
C45 Underground Work (Women) Convention, 1935	31:10:1966
C64 Contracts of Employment (Indigenous Workers) Convention, 1939	31:10:1966
C65 Penal Sanctions (Indigenous Workers) Convention, 1939	31:10:1966
C81 Labour Inspection Convention, 1947	14:06:2001
C87 Freedom of Association and Protection of the Right to Organize Convention, 1948	31:10:1966
C98 Right to Organize and Collective Bargaining Convention, 1949	31:10:1966
C100 Equal Remuneration Convention, 1951	27:01:1998
C105 Abolition of Forced Labour Convention, 1957	14:06:2001
C111 Discrimination (Employment and Occupation) Convention, 1958	27:01:1998
C135 Workers' Representatives Convention, 1971	27:01:1998
C138 Minimum Age Convention, 1973	14:06:2001
C144 Tripartite Consultation (International Labour Standards) Convention, 1976	27:01:1998
C150 Labour Administration Convention, 1978	14:06:2001
C155 Occupational Safety and Health Convention, 1981	01:11:2001
C158 Termination of Employment Convention, 1982	14:06:2001
C167 Safety and Health in Construction Convention, 1988	27:01:1998
<u>C182 Worst Forms of Child Labour Convention, 1999</u>	14:06:2001

C5 Minimum Age (Industry) Convention, 1919; ratified on 31. 10. 1966 and denounced on 14.06.2001.

Annex 2

Extract of the Conclusions of the 12th ILO Africa Regional Meeting, Johannesburg October 2011.

Accelerating the Decent Work Agenda in Africa

1. Delegates paid a special tribute to the ILO Director-General, Juan Somavia, who was attending the last African Regional Meeting during his tenure, and stressed his unwavering support for Africa's development and his tremendous contribution to the advancement of the Decent Work Agenda on the continent and worldwide.
2. The Meeting commended the Director-General for his Report entitled Empowering Africa's peoples with decent work, and the additional Reports, namely Efficient growth, employment and decent work in Africa: Time for a new vision and Success Africa III: Realizing a new era of social justice through decent work: Success stories from Africa.
3. The Meeting stressed the continued importance of the Declaration, the Plan of Action, and follow-up mechanism adopted by the Extraordinary Summit of the African Union on Employment and Poverty Reduction in Africa (September 2004, Ouagadougou); they recalled the conclusions of the First African Decent Work Symposium (Recovering from the crisis: The implementation of the Global Jobs Pact in Africa, Ouagadougou, December 2009), of the Second African Social Partners' Forum (Ouagadougou, December 2009), and of the Second African Decent Work Symposium (Building a Social Protection Floor with the Global Jobs Pact, Yaoundé, October 2010). Furthermore, the Meeting took note of the conclusions adopted by the Meeting of the G20 Labour and Employment Ministers in September 2011 in Paris.
4. The Meeting expressed its deep concern about the fact that the African continent, despite significant economic growth, continued to be affected by crises such as rising youth unemployment, persistent poverty, growing inequality, widespread informality and precarious work. Moreover, Africa's economic growth was largely dependent on the performance of extractive industries and primary commodity exports and thus vulnerable to external shocks. The Meeting reaffirmed the conviction that the Decent Work Agenda provided an appropriate and comprehensive policy framework to address these crises.
5. The Meeting recognized that progress had been achieved in implementing the Decent Work Agenda in Africa (2007–15) while acknowledging that some of the targets lagged behind, in particular those related to gender equality, youth employment, migration, forced labour, HIV and AIDS at the workplace, social protection and implementation of international labour standards. Delegates stressed the importance of Decent Work Country Programmes (DWCPs) as the vehicle to identify and implement national priorities related to the Decent Work Agenda.

Efficient growth, employment and decent work in Africa

6. The Meeting noted that economic growth alone was not sufficient to create employment. There was an urgent need to embark upon inclusive growth paths that create jobs and therefore reduce poverty. Government had a paramount role to play in this process by: (i) designing policies that accelerate economic growth and transform the quality of that growth; (ii) promoting regional
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adoption of a pro-employment macroeconomic framework, the setting of explicit and quantitative employment targets in national and international policies, as well as a better coordination of, and greater coherence between, economic, financial, social and employment policies at the national level.

7. Employment policies needed to be designed taking into account the patterns of growth in each country, and should focus on specific, employment-intensive sectors, value chains and economic clusters. African countries needed to adopt active industrialization strategies to reverse past policies that led to de-industrialization; moreover, they should shift their attention towards labour-intensive sectors such as manufacturing and agro-processing, and take measures to harness the job creation opportunities emerging from the “green economy”.

8. The Meeting recognized the importance of infrastructure investments, including in roads, rail, energy and communications, for private sector development, quality public service delivery, employment growth and regional integration, and pointed out that the development of infrastructure lends itself to more employment-intensive techniques, which create opportunities for local job creation. The Meeting further stressed the importance of education, skills development and lifelong learning, and called for a better alignment of technical and vocational training and research with the characteristics and requirements of the national labour markets.

9. The Meeting urged governments to take steps to gradually formalize work and business in the informal economy, including in rural areas. This should include the adoption at the national level of the social protection floor, and called for stronger labour market institutions and local capacities.

10. Governments should also create an enabling environment for sustainable private sector growth, investment, access to finance and the creation of small and medium-sized enterprises, all of which have an enormous job creation potential. At the same time governments should pay attention to the public sector as an important source of decent employment.

Promoting youth employment

11. The Meeting expressed grave concern about the high rates of youth unemployment and underemployment. This problem was compounded by high population growth. Thirty-two African countries now prioritized employment in general and youth employment, in particular, in their national development frameworks. The urgency of addressing the youth employment crisis, and the need for integrated action and multiple pathways, was reiterated.

12. The promotion of youth employment must address both the supply and demand sides of the national labour markets. Measures aimed at improving the qualifications of young people were likely to improve the alignment of labour supply with the requirements of the labour markets, while measures such as pro-employment macroeconomic policies, private and public sector development, the provision of finance and venture capital and public works schemes were likely to increase the demand for labour. Active labour market policies and institutions were key to facilitate school-to-work transition. Furthermore, investing in quality jobs promotes employment growth and generates new opportunities that meet youth aspirations and qualifications.

13. Recent events in parts of Africa had shown that youth demand not only decent jobs, but also

rights, justice, equity and participation. It was therefore essential to work towards further integration of youth in the societal decision-making process. The Meeting stressed the need for a more proactive role of social partners in the promotion of youth employment, as well as in the governance of youth employment institutions and the implementation of youth employment programmes.

National ownership of labour standards

14. The Meeting recognized that African countries had made impressive progress in ratifying the ILO's eight core Conventions, although problems persisted with implementation. However, the rate of ratification of the other Conventions, including those considered priority instruments, was less satisfactory. In addition, in a number of countries there was still a gap between ratification and implementation of Conventions, in particular with regard to rural, migrant and informal economy workers.

15. In order to enhance the national ownership of international labour standards it was deemed essential that workers' and employers' organizations take an active part in the standard-setting process and its follow-up at the national level. Therefore, more resources should be devoted to capacity building for constituents and other relevant target groups such as judges and labour inspectors so as to accelerate the ratification process and enforce the effective application of ratified Conventions. Constituents should set up effective social dialogue institutions and mechanisms at the national level to discuss standard-related matters.

16. The ILO should be attentive to the need to ensure that its body of standards is up to date, comprehensive and effective, and to provide technical assistance necessary for member States to meet their reporting requirements.

Investing in skills and sustainable enterprises

17. Skills development and improved employability are a cornerstone for achieving the Decent Work Agenda in Africa. However, there was a need to do better than what was reported in the ILO's midterm progress review. The lack of attention to skills development was a key obstacle to Africa's broader progress. As was set out in the 2008 ILC conclusions on skills, productivity, growth and development, skills must be coordinated with social and economic policies, including the policies around education, and integrated into national development frameworks. Government has an important role in ensuring coherence and effectiveness; moreover, it should facilitate replication of successful pilot projects and good practices to provide greater impact. The need for stronger alliances with social partners was emphasized.

18. To further address skills mismatches, which continue to be a recurrent problem, and to better anticipate future needs a number of proposals were made:

- (a) A more prominent involvement of the private sector and workers' organizations in the design, planning, monitoring of training – including curriculum development – was needed to ensure that the human resource capacity adequately responded to the current and future needs of enterprises and workers.
 - (b) There was a need to improve the quality and relevance of training.
 - (c) Lifelong learning and re-skilling approaches were required to ensure that the workforce can
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adapt to newly emerging labour market needs and opportunities. It has proven particularly important as part of the crisis response.

- (d) Young people needed support to facilitate a smooth transition to the world of work, through among others, career counselling, mentoring, and improving access to information.

Rural employment, industrial development and structural transformation

19. With almost three quarters of the African population living and working in rural areas, there was renewed attention to rural employment among governments and social partners. Comprehensive national programmes, providing integrated packages of services that address the multi-dimensional aspects involved – from storage to market access, to access to finance, to overall infrastructure development and access to social services – were called for. These should focus simultaneously on improving productivity, living standards of rural workers and their rights, and decent working conditions. Improved social dialogue and involvement of the social partners could greatly enhance policy coherence in this area and would ensure that the needs of workers as well as business were addressed. The mandate for the ILO on rural employment, which was spelled out in detail in the ILC conclusions of 2008 on rural employment, remained very relevant to the needs of member States in Africa.

20. The agricultural sector should evidently be the focus – as it is here that one finds the highest labour absorption – giving due attention to food security. At the same time, the Meeting requested governments to take necessary measures to create an enabling environment for small and medium-sized enterprise development which also goes beyond the agricultural sector, involving industrialization policies and broader structural transformation. Many jobs could be created and youth could be motivated to stay in rural areas instead of migrating to cities. This required attention to a number of additional areas than those mentioned above, such as investment in infrastructure including roads, schools and health services, and the active promotion of rural areas as an environment where decent work becomes a reality.

Moving out of informality – The role of the social economy

21. The Meeting recognized that in Africa, about two-thirds of all job opportunities and livelihoods have been created by the informal economy. However, the Meeting deplored that workers and operators in the informal economy were affected by severe decent work deficits in terms of rights, incomes and working conditions, protection and voice and representation.

22. It was also emphasized that priority must be given to the process of formalization.

23. The Meeting expressed the view that because of their nature, values, principles and characteristics, social economy organizations and enterprises were well suited to build a bridge between the informal and formal economies, and to reduce the aforementioned decent work deficits.

24. Governments should take the following measures to promote the social economy: (i) create a conducive legal and institutional environment; (ii) establish a framework for consultation and exchange of knowledge; (iii) build the capacity of social economy leaders, promoters and regulators; (iv) fight discrimination of any form in the social economy; and (v) apply the values and principles of the social economy to public policy.

Achieving women's economic and social empowerment and gender equality

25. The Meeting expressed concern that, in spite of progress being made, there was still much gender inequality and widespread discrimination. Women were largely confined to low income and low-quality jobs. The gender pay gap had not yet been closed. Governments should continue to give priority to gender equality in education, as this was a primary condition for women's empowerment. There were already a number of commitments on gender equality, which should be respected and implemented as a matter of urgency.

26. The Meeting called for increased ratification of Convention No. 183 on maternity protection, and a better observation of its principles, which are essential conditions for realizing the Decent Work Agenda. African countries should also aim at ratification of Convention No. 189 on domestic workers, which was widely applicable to the most vulnerable of workers, involving mainly women. Also important was the need for better implementation of the widely ratified Conventions Nos 100 and 111. To avoid a discriminatory crisis response, governments should pay due attention to gender issues when designing recovery packages, and take measures that ensure that it was not only the “male dominated” sectors that benefited.

Social dialogue as a key governance mechanism

27. The Meeting noted that there was now recognition across the continent that social dialogue was a key governance mechanism and there was better institutionalization and availability of frameworks for social dialogue. Several good practices were emerging. Still, all partners were to engage in better articulation of tripartism as a tool for governance, and ensure its effective operationalization. Continued efforts were needed to improve the representativeness of workers and employers in existing bodies, especially for workers and operators in the informal economy. Active participation of social partners in peace building and recovery was seen as essential.

28. The Meeting also expressed concern about the limited application of existing important labour standards, including Conventions Nos 87, 98, 144 and 151. They emphasized the important role of training, exchange of experiences and other knowledge-building and sharing measures. The Meeting reaffirmed the value of invoking the Tripartite Declaration of Principles concerning Multinational Enterprises and Social Policy (MNE Declaration) to expand social dialogue to include MNEs and their influence in global value chains.

Building a social protection floor in Africa

29. The Meeting recognized that the social protection floor (SPF) concept, that had been developed by the ILO and the UN Social Protection Floor Initiative, and that was first adopted through the Yaoundé Declaration on the Implementation of the Social Protection Floor in October 2010, had been widely accepted by ILO constituents in Africa. The Meeting noted the need for widespread support for the progressive development of national social protection systems.

30. Considerable progress towards higher levels of social protection coverage had been achieved in a number of countries, which showed that even in situations of tight budgetary constraints some investment in social protection can be made. The Meeting noted that social protection was a mutually

reinforcing policy tool to achieve social cohesion, combat poverty and social exclusion, and achieve economic progress.

31. The Meeting identified a number of principles for the implementation of national social protection policies along the two-dimensional approach that was developed by the Yaoundé Declaration and the International Labour Conference in June 2011. Those are:

- (a) a minimum level of nationally defined and guaranteed social outcomes should be ascertained;
- (b) guarantees should be rights based;
- (c) the participation of social partners in the planning and management of social protection schemes in order to ensure good governance and national consensus was deemed indispensable.

32. Mobilization of domestic resources remained the central challenge for the implementation of national SPF policies. Domestic resource mobilization required investments in good governance, which was one of the key tools to accelerate the progressive formalization of the informal economy. In turn, formalization is a necessary condition for the long-term sustainability and improvement of national social protection schemes.

33. The Meeting requested the International Labour Office to assist in improving governance and supporting the formulation of national policies through intensified capacity-building programmes; the ILO might consider approaching donors to mobilize funding for innovative programmes.

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