



EUROPEAN UNION

DELEGATION TO THE KINGDOM OF LESOTHO

Maseru, 31 October 2012

PRESS RELEASE

EUROPEAN UNION SUPPORTS DECENTRALISATION AND IMPROVED SERVICE DELIVERY

Following last year's signature of a financing agreement in support of decentralisation and non-state actor development, the Government of Lesotho, the European Union and UNDP will launch today a programme in support of enhancing decentralisation and improving service delivery in Lesotho.

The programme is inaugurated at the first steering committee that will be held today. The meeting will be attended by the Honourable Deputy Prime Minister and the Minister of Local Governance and Chieftainship, Mr. Mothetjoa Metsing, EU Ambassador Hans Duynhouwer and the UN resident co-ordinator Ms Karla Robin Hershey.

The EU is funding the project with an amount of LSL 135 million (EUR 13.5 million). UNDP will provide technical support in the implementation. For this purpose an agreement has been signed between the EU and UNDP.

A key objective of the project is to promote decentralisation in Lesotho with a view to improving service delivery and enhance the capacity and the accountability of the different development actors at the local level. Non-state actors play an important role in this, and they will be supported through separate funding for an amount of LSL 32 million (EUR 3.1 million).

Commenting on the event, EU Ambassador Hans DUYNHOUWER said: "*The European Union is committed to support the Government of Lesotho in making progress towards decentralised service delivery. Good governance and efficient service delivery is a shared priority for both the Government of Lesotho and the European Union. Let's work together on this in a spirit of true partnership.*"

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A background on the project is attached



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**BACKGROUND TO
THE EU'S DEEPENING DECENTRALISATION
AND NON-STATE ACTORS PROJECT**

1. INTRODUCTION

The project inaugurated today is part of a wider effort of the Government of Lesotho and the European Union to bring decision making closer to the people and improve service delivery.

Decentralisation, greater involvement of district and community councils, more participation of civil society organisations are key features of the programme.

The deepening decentralisation programme is part of the ongoing 10th European Development Fund. The total EU contribution to the programme amounts to EUR 13.5 million, which includes a EUR 3.5 million contribution from GIZ, German agency for international co-operation.

2. THE PROGRAMME

The programme has three components:

1. The **deepening decentralisation project** supports decentralised governance, improved accountability of local authorities and enhanced service delivery. This component is financially supported by the EU for an amount of EUR 8 million and the United Capital Development Fund for an amount of EUR 880,000. The programme will be implemented under the responsibility of the Ministry of Local Governance and Chieftainship in the close possible co-operation with the Ministry of Finance, the Ministry of Public Services, the European Union and UNDP.
2. **Support to non-state actors** for an amount of EUR 3 million. This component supports the further development of non-state actors at the national and local level, increased co-operation between non-state actors, councils and the private sector and improved service delivery in rural areas. This component is financially for an amount of EUR 3 million.
3. Finally, the programme foresees a EUR 2 million **support to ALAFA**. The contract for this component was signed earlier this year. An important objective of this component is to work on the sustainability of the fight against HIV/AIDS for the country's 35,000 textile workers.

3. A TRULY COLLABORATIVE EFFORT IN SUPPORT OF DECENTRALISATION

The deepening decentralisation project is a truly collaborative effort. It has the support from the Government of Lesotho, the EU and UNDP. The EU's financial support has been enhanced by a EUR 3.5 million contribution from GIZ, the German agency for international co-operation. This complements Germany's long standing and on-going commitment in support of Lesotho's local development.

4. THE DEEPENING DECENTRALISATION PROJECT IN MORE DETAIL

The Deepening Decentralisation Project is a **EUR 8.88 million** project implemented by the Ministry of Local Governance and Chieftainship, the Ministry of Finance and the Ministry of Public Services.

UNDP will provide technical support to the project in accordance with the provisions of a so-called contribution agreement signed between the European Union and UNDP.

A key objective of the programme is to accelerate the process of decentralisation in Lesotho. Promoting decentralised service delivery for social and economic growth (e.g. water, education, health) supported by transparent funding mechanisms and improved the accountability of local authorities are key features of the programme,

The Ministry of Local Governance and Chieftainship will be supported in its mandate to enhance the capacity of district and community councils in catalysing local development. The project will also support line ministries that are committed to promote the decentralisation process.

The project will be guided by a project steering committee co-chaired by the Ministries of Finance and Development Planning and the Ministry of Local Governance and Chieftainship.

26 October 2012