



Shock-Responsive Social Protection Systems Research

Case study—Lesotho

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About the project

The Shock-Responsive Social Protection Systems study is a research programme (2015 to 2017) led by Oxford Policy Management (OPM), in consortium with the Overseas Development Institute (ODI), the Cash Learning Partnership (CaLP) and INASP. Its aim is to strengthen the evidence base as to when and how social protection systems can better respond to shocks in low-income countries and fragile and conflict-affected states, thus minimising negative shock impacts and reducing the need for separate humanitarian responses.

The research is funded by UK Aid from the UK Government as part of the UK Department for International Development's (DFID's) Humanitarian Innovation and Evidence Programme, an initiative to improve the quality, quantity and use of evidence in humanitarian programming.

Six case studies form the core of the analysis of features of social protection systems that facilitate their use to respond to shocks, and of the ways in which social protection, humanitarian assistance and disaster risk management systems can best work together for a more effective response. The three in-depth case studies—of Mozambique, Mali and Pakistan—explore the issue across a wide range of shocks, and reviewing a number of social protection interventions. Two light-touch country case studies, of the Philippines and Lesotho, focus on a single type of shock. Finally, a light study of the Sahel region reviews regionwide mechanisms for responding to food security crises.

About this report

This case study report for Lesotho analyses the extent to which social protection interventions and systems formed part of the response by the Government of Lesotho and its development partners to the El-Niño-induced drought and food insecurity of 2015–16. It also explores the potential for using these programmes and systems to address future shocks. A summary briefing note is published separately.

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Executive summary

Approach and method

Globally, the frequency, size and duration of natural, economic and political disasters and crises are on the rise. Governments and international agencies alike are committed to responding more efficiently and effectively, rather than reactively, to shocks. Our research explores two themes in relation to this: first, the potential role of long-term social protection systems in response to large-scale shocks; and second, opportunities for coordination (and possible integration) of humanitarian interventions, disaster risk management (DRM) and social protection.

Lesotho is one of our six case studies. Specifically, we review the response to the El-Niño-induced drought and food insecurity which affected Lesotho and many of its neighbours in 2015–16. We learn whether and how the country's numerous social protection programmes and delivery systems have been used in the response, and how the humanitarian, social protection and DRM actors are working together to address this crisis and others in future. Primary research took place in October 2016, during which we consulted with over 30 key informants from central and local government, United Nations (UN) organisations, donors and non-governmental organisations (NGOs).

Shocks and vulnerability in Lesotho

Climate shocks—particularly drought, but also floods—are common in Lesotho and expected to become more frequent. It had been foreseen that the strongest El Niño event in 35 years would lead to drought and significant food insecurity. The government declared a drought emergency on 22 December 2015. By May 2016 some 477,000 of the country's population of about 2.1 million were classified as being in 'survival deficit', unable to meet basic food and non-food needs.

The shock is set against a backdrop whereby, even though Lesotho is now a lower middle-income country, some 57% of the population is thought to be below the poverty line (2010/11). Movements in and out of poverty are relatively limited.

Institutional context

Lesotho has a strong political commitment to social protection and spends a high percentage of its budget on social assistance (4.5% of GDP)—nearly triple the average for sub-Saharan Africa. The Ministry of Social Development (MoSD), created in 2012, leads on social protection policy. A National Social Protection Strategy has been adopted to bring coherence to the sector. Some large programmes are run elsewhere: the Old Age Pension (OAP) is managed by the Ministry of Finance, and the National School Feeding Programme by the Ministry of Education and Training. At the time of the El Niño crisis no regular committees or forums on social protection were active.

The MoSD's main programme is the Child Grant Programme (CGP), a government-funded cash transfer that reaches 27,000 households (about 7% of households) but is only present in half of all subdistricts, known as community councils. It issues quarterly payments physically through a cash-in-transit firm to poor households with children. It has developed a database, the National Information System for Social Assistance (NISSA), that includes data on CGP and some non-CGP households and that was envisaged for use by other programmes as needed. Some 33 of Lesotho's 64 community councils were registered on NISSA under its original method ('old NISSA'). At the time of the crisis in 2016 a revised NISSA registration procedure ('new NISSA') had been rolled out in a further three community councils; the remaining 28 community councils were

not reached. New CGP payment systems, including electronic mechanisms, were being trialled in six community councils.

As for other key social protection programmes, the National School Feeding Programme has much greater coverage (390,000 primary school children). The OAP, a programme fully instigated and owned by the government, reaches all people over 70 who do not receive a civil service pension (80,000 individuals). The OAP transfer value is higher than the CGP but covers fewer recipients, though likely reaches more households. There was some concern at the time of the crisis that its beneficiary list did not match the estimated number of elderly people in the country. A new programme has been the temporary subsidy on sugar beans, split peas and some maize meal, introduced by the government in June 2016 in response to El Niño.

DRM activities are led by the Disaster Management Authority (DMA) and have been enshrined in law for 20 years. The DMA has some relevant policies and contingency plans, and runs the annual Lesotho Vulnerability Assessment Committee (LVAC) assessment to determine food security. It faces substantial challenges in coordinating DRM nationwide owing both to technical and financial resource constraints and to the ambiguous division of roles, responsibilities and reporting lines between national and district levels. District Disaster Management Teams (and equivalents at village level) provide the local structures that support coordination of the response to a disaster.

The many UN agencies, donors and NGOs in Lesotho have a presence that is often long-standing, though perhaps smaller than elsewhere. Sometimes agencies deliver assistance from a regional office. An increased humanitarian presence was drafted in to respond to El Niño.

Although elements of the social protection and DRM sectors are long established they operate largely independently of one another. The DMA does not have the strength in practice to deliver the leadership in a crisis that it would wish to have. Social protection is spread across many ministries and not conceived as part of a system; often the government does not perceive its programmes as 'social protection', which some consider to refer to donor-assisted projects. Development partners tend to have long-standing relationships with particular ministries or programmes; these influence the channels through which they deliver humanitarian response.

The response to the El Niño-induced drought

After the declaration of drought in December 2015, a national response plan was initiated. This estimated the resources required at M584 million (around \$43 million), of which the government pledged M155 million (\$10 million). The remainder was sought through an international appeal in January 2016. Following further assessments and revisions to the estimated need, a new appeal was sought in July 2016. The government initially committed to focus on water, health and nutrition and agriculture and food security. However, by July 2016 it had disbursed only about 1% of its commitment. The earliest direct cash and in-kind support to households, starting in February 2016, came from NGOs and UN agencies, notably the Lesotho Red Cross Society and the World Food Programme (WFP). Quarterly cash top-ups for all 27,000 CGP households—'vertical expansion' of the CGP—began in June 2016 with support from UNICEF and ECHO to 'old NISSA' areas (later extended to 'new NISSA' areas and prolonged with the support of DFID, for two quarters, and the World Bank, for three). The UN Food and Agriculture Organisation (FAO) provided complementary 'cash plus' interventions for CGP households and those supported by WFP, in the form of seeds and training in 'keyhole gardening'. The government introduced its food price subsidy in June 2016.

As the year progressed, assistance continued to be provided by donors, implementing agencies and NGOs (including the World Bank, which amended its long-term social assistance project to fund an extra \$20 million in response to the crisis, primarily as top-ups). A new LVAC assessment

in November 2016 estimated that, with this support and the interventions of the government, the number of households still facing a survival deficit by that date was some 90% lower than it had been six months earlier, at around 47,000 compared with 477,000. By March 2017 an estimated 462,000 people had been reached with cash or in-kind assistance to address food insecurity.

We see that implementing agencies have attempted to use social protection programmes or delivery systems to respond to El Niño in four ways: (i) Vertical expansion of CGP (cash top-ups to existing beneficiaries) (ii) Piggybacking on CGP beneficiary list (FAO seed distribution; also a seed and voucher intervention by Catholic Relief Services) (iii) Piggybacking on NISSA database (WFP explored this but it did not work—see below) (iv) Government introduction of a food subsidy. Other government-funded social protection programmes, the OAP, National School Feeding Programme, public works programme and Public Assistance were *not* actively adapted in response to El Niño during 2016, even though they routinely distribute transfers to large numbers of the population. So how did Lesotho end up with the set of interventions that it did?

The government had put in place a food subsidy before to address food insecurity, in 2007–08, so it was expedient to introduce it again. The FAO had successfully piloted complementary support to CGP beneficiaries in 2013 as a development intervention, so it was already intending to continue with this model in 2015, even before a drought was declared. The CGP had also been scaled up once before, to respond to a food security crisis in 2012 (a temporary horizontal expansion), yet we found little institutional memory of this, so little indication that any learning from that operation had been translated into the 2016 response. Discussions about the use of the CGP in 2016 included a debate as to the relative merits of horizontal versus vertical expansion (extension to new recipients, or top-ups for existing recipients). Some senior government representatives felt that CGP households should not be prioritised as they already received assistance. Custodians of the CGP (primarily the development partners) argued that CGP recipients were known to be poor; a mechanism for paying them existed; and expanding to new recipients would be time-consuming. A justification was prepared, and vertical expansion of the CGP was selected.

Considering how responsive these were to the El Niño shock, we find:

- The **food subsidy** is reported to have been partially effective in stabilising prices and enabling some households to obtain part of their food requirements. It reduced the cost of food assistance for NGOs and the school feeding programme. However, it may not have reduced the cost of items more commonly purchased by the poorest. Demand for the subsidised products increased more than expected which posed problems for the government budget.
- The implementation of the **school feeding programme** (not adjusted in the drought) was somewhat affected by the shock because of the rising cost of food, though not everywhere.
- There is cautious agreement that, on balance, it was better to make use of the **CGP** than not to use it, and might be in future provided it is part of a broader package. Warmth towards its use was greater among agencies that were involved in its implementation. There are many caveats around its limited geographical reach, the fact that it only covers households with children and the fact that its recipients are households who were deemed the most poor some years ago.

Looking at some of the key reasons why agencies might use social protection as an emergency response—namely to improve the comprehensiveness, timeliness and/or predictability of assistance, and reduce duplication—the CGP helped with the comprehensiveness of the response to El Niño as it reached over 100,000 people. However, it was not the most timely or predictably funded. Regarding duplication, most needy people still had to be reached through alternative routes. Moreover, there is a risk that if too many agencies make use of the same intervention (such as the CGP), those households will receive multiple benefits while others receive nothing or little.

The contribution of the CGP and NISSA to the identification of need

A system is not automatically better than another if its processes are more efficient (eg. faster delivery). A central objective is to improve *impact* by making sure that the people most in need—however defined—receive the right assistance. Authorities responsible for emergency response have to determine where to go, whom to support and how much to give. We review whether the NISSA database and the CGP top-up offer advantages relative to the emergency system.

To identify *how many people need assistance*: The LVAC estimates—among many things—the total number of people facing food insecurity. This job cannot be replaced by data from social protection interventions or the NISSA as those are not crisis-specific. LVAC assessments have considerable traction in providing the main estimates of the food insecure population and their food deficit. The process in Lesotho matches the method commonly used across southern Africa.

The matter of *which precise households receive assistance* has hitherto been determined by the DMA's targeting exercise plus similar exercises by its partners. The DMA approach has the advantage of being managed at district level. However, resource constraints heavily impede its effectiveness. In the response to El Niño it was very slow (unfinished as of October 2016) as districts have neither the staff nor material resources to administer it: development partners support data collection and entry. This was frustrating for NGOs who tried to rely on it.

For the NISSA to be an appropriate alternative means of identifying households to receive assistance it needs to be comprehensive, relevant, accurate and accessible:

- Comprehensiveness:** In respect of its *geographical* completeness, it reaches only about half the country (36 of the 64 community councils). Some of these were selected by lottery when the CGP was being rolled out. So any emergency intervention that piggybacked on the NISSA list would be basing itself on areas selected partly at random, not directly related to need.

As for the *number of households covered*, the 'old NISSA' model conducted a census-style survey; in practice about 70% of households in participating community councils are thought to be on it. Most of the data were collected around 2010 and many households have moved or changed since then, which compounds the shortfall in coverage. By design, the 'new NISSA' registers even fewer, at around 50% of households. It was not intended for use in a crisis. It is not designed to capture households that become vulnerable or poor as a result of a shock, especially as data collection may be carried out years before the shock itself.
- Relevance:** Regarding the type of information collected, the NISSA is closely related to the DMA's questionnaire for assessing humanitarian need and so contains many relevant variables though, naturally, not all: the absence of information on current dietary diversity omits a facet of targeting for emergency response to food insecurity that is otherwise captured by the DMA.
- Accuracy.** This relates to the degree to which the NISSA reflects the well-being of households when the data are required. Concern about accuracy is a main reason why agencies hesitated to use the NISSA, not only because there may have been inaccuracies in data collection but also because it was so outdated that it risked high errors of inclusion and exclusion.
- Accessibility.** Access to the NISSA in Lesotho is confined to a few staff in the MoSD in the capital. Data can neither be viewed or changed in the districts: this is problematic for the District Disaster Management Teams, who lead on emergency response. Other stakeholders wishing to access the beneficiary database must make a request to the MoSD. These are dealt with on an ad-hoc basis with no formal protocol for assessing whether to grant permission.

The CGP list is a subset of 23% of the households on the NISSA list. An emergency intervention that piggybacks on the CGP beneficiary list is therefore subject to all the constraints of the broader

database plus any due to the design of the CGP (eg. that it only includes households with children, who have been identified as poor by both the community and by a proxy means test).

UN agencies and NGOs who used the NISSA database did not receive guidance from the MoSD or DMA as to what to do with the data, such as whether to purposely select or avoid households receiving other assistance. Equally, there was no routine way for them to feed back to the MoSD what benefits they provided, which limited the possibility for oversight. There was no mechanism for ensuring that every agency did not target, say, the same CGP beneficiaries, although in principle households enrolled in other social protection schemes were not to be supported.

Some advocates of the NISSA were disappointed that the government continued to implement the DMA's assessments to target its response even in community councils where the NISSA existed. Certainly, the NISSA and the CGP beneficiary list have provided an opportunity for more rapidly reaching some households in affected communities. Nonetheless, this has come at a cost of many households initially being left out in community councils where only CGP beneficiaries were supported: in part because of funding shortages, too. The gaps in NISSA data coverage and quality justify the use of complementary methods for identifying households for assistance.

The limitations of the NISSA in its 2016 form were well-known, and some are now being addressed by technical assistance. Some respondents hoped the 'new NISSA' would be an improvement if it was kept up to date. This is a big proviso as it is not apparent how the data will be updated and whether agencies would trust amendments made by others. In any case, since the 'new NISSA' only covers 50% of households, and survey implementation errors mean several thousand households are already omitted, additional targeting for crisis response will always be needed.

The determination of transfer values has been a contested element of the El Niño response. Several values were initially used. In March to August 2016 WFP provided M1,000 per household per month (plus M60 for transport), corresponding to the minimum food requirement of 2,100 kcal per day for a family of five. This was revised to just over M500 after the government introduced the food subsidy and oversaw attempts to harmonise values. The top-up to CGP households was only M166 per month (M500 per quarter): so even with this top-up plus their routine quarterly transfer of M360–M750, CGP households received substantially less than those receiving other emergency assistance, although generally they are perceived to be among the poorest households. Anxiety about these varying arrangements has been twofold. First, some households in the same community were receiving different amounts. Second, some fear that the higher value for emergency recipients will lead to long-term discontent about CGP assistance.

Resources for implementing a response to shocks

The economy is deemed to have performed reasonably well for several years though the outlook is weakening and the need for curtailing expenditure intensifying. Government expenditure accounts for a very high proportion of GDP. Within this, social protection expenditure is also very high. The main drive is to improve efficiency and effectiveness of spending. The creation of the MoSD, the elaboration of the National Social Protection Strategy, and the development and revision of the NISSA are all part of the reform. So, too, is the World Bank-supported Social Assistance Project to improve the efficiency and equity of social protection programmes.

In contrast the DMA faces much tighter resource constraints. The DMA's regular budget covers only its own operations: it is intended to be used for its coordination of DRM activities by others, but not to fund the actual response to disasters. A Disaster Management Fund has been created but does not contain sufficient funds to handle crises. As a result it did not function when the drought was declared (the absence of funds had been noticed during the previous crisis, in 2012,

but had not been resolved). The lack of clarity about the availability and location of funds led to the government's delayed response to the crisis. As noted above the government pledged M155 million (\$10 million) in its response but this was not immediately available.

There are ways in which Lesotho can improve the fitness of its financing architecture for emergency response by improving its anticipation and analysis of funding requirements and sources for addressing emergencies, including regular development of mitigation and preparedness plans; better articulating the processes for resourcing and accessing the DMA Fund, linked to the broader Public Financial Management in the country, and through continued efforts to improve the efficiency of the response at design and implementation stages.

Administrative constraints, especially in staff capacity, are considerable in both the DRM and social protection sectors, and were further stretched in the shock. The government's reform programmes are working to address these so it is possible that, by the time of a future shock on this scale, the context of the resourcing challenges encountered during the El Niño response will have changed.

Coordination between social protection, DRM and humanitarian sectors

Nationally, the DMA is mandated to oversee coordination of disaster response. In practice it faces challenges in doing so. Links between the DRM and social protection sectors are generally not strong. Some agencies who interact with both sectors report engaging with them separately as it is difficult to bring them together. At district level a cross-sector platform, the District Disaster Management Team, does exist; however, these can have difficulties linking up with the national level. Some challenges with system coordination relate to the multisectoral nature of both DRM and social protection, while others relate to the state of maturity of the individual sectors.

Donors tend to form their own relationships with selected actors; forums for wider dialogue are largely absent. The absence of a forum for discussing all social protection issues was a reason why there was no systematic review as to which social protection programme could best be used in the response. In contrast to the response to the previous food security crisis, the response to El Niño had stronger government ownership. However, the limited convening power of the DMA, together with its resource constraints, meant that its efforts were not very effective. Instead the Humanitarian Country Team provided an important coordination platform.

There is some coordination of delivery systems, notably the LVAC assessments which are used by many actors. These include the annual LVAC vulnerability analysis and the assessments conducted after the declaration of drought: the rapid vulnerability assessment, a market assessment and a modality assessment that determined whether food assistance should be in cash or in kind. In some areas, collaboration increased over the course of the El Niño response, such as the use of common community based targeting methods and attempts at harmonising transfer values. Payment systems are often manual so there is limited opportunity to collaborate on these. As we have seen, the NISSA database is not yet viewed by the wider government as a coordinated delivery system and certainly not used as such.

Conclusion

The traditional emergency response to the El Niño crisis has had some degree of success. Its shortcomings, as discussed throughout this report, are often recognised by agencies and there is merit in considering whether social protection interventions can contribute to addressing them as part of a wider response. Political will for routine social protection is high; the government's will for adapting it in a crisis less so. The use of the CGP for the El Niño response was a reasonable way of reaching a proportion of the people affected, though not relevant for at least three-quarters of

those in need. Improvements to the routine CGP—updating the list, amending the manual payment system—would have a knock-on beneficial effect in a crisis. The food subsidy, school feeding programme, cash for work programme and OAP all merit being reviewed to consider whether they can be better used in a future crisis. Interaction between actors responsible for DRM and social protection will be made easier as the DRM sector is strengthened and as the social protection sector itself becomes more cohesive.

We recommend the following:

1. **Support to routine social protection.** Improvements to the regular functioning of the core social protection programmes and delivery systems, including the CGP and OAP, will make a considerable difference to their effectiveness in a crisis.
2. **Support to the emergency response mechanism.** Likewise, supporting the DMA to deliver its mandate will enhance its value in a crisis. Resourcing does not match the intended system. A priority is identifying the mechanism for the effective functioning of the emergency fund.
3. **Planning and preparedness.** Once the immediate crisis is over, conduct preparatory work as to how the social protection sector might make a useful contribution in response to future shocks. This should take into account not only what was done in the response to El Niño, but also what was not done. Integrate consideration of non-contributory social assistance into contingency plans, including an indication of how expanded programmes would be resourced.
4. **Coordination.** Articulate more clearly the way in which the social protection sector should feed into the DMA's structures and processes for coordinating emergency response.
5. **Anticipation and analysis of financing needs.** Strengthen the process for anticipating financing requirements on a routine basis through better preparedness and contingency planning supported by timely data and/or an improved early warning system.
6. **Development of the NISSA.** While the NISSA is undergoing reform, reach a decision on four major aspects determining its relevance in a shock: comprehensiveness (how to reach non-beneficiaries), accuracy (how households can report changes to their circumstances that affect their categorisation on the database), accessibility (especially for District Disaster Management Teams), and the protocols by which the system might be used at all in an emergency.
7. **M&E of interventions and of the use of delivery systems.** Review the emergency interventions implemented during the El Niño crisis, including cost-efficiency analyses if possible. Prepare a framework of criteria against which the effectiveness of future interventions will be measured. If the CGP is to be vertically or horizontally expanded, it would be useful to include in its logframe an indicator that assesses the effectiveness of the emergency top-up.

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Conversion of currencies. This report provides financial figures in Lesotho Maloti (symbol 'M') and US dollars. Where figures are reported in Maloti these take precedence over the converted dollar equivalent. Any conversions use the rate at the time of research in October 2016 (\$1 = M13.6), rounded to the nearest whole. The purpose is to give readers unfamiliar with the Lesotho currency an indication of magnitude, rather than to provide a precise contemporary rate, given the significant volatility in the exchange rate in the past two years.

Abbreviations

CEO	chief executive officer
CERF	Central Emergency Response Fund
CGP	Child Grant Programme
CRS	Catholic Relief Services
DFID	United Kingdom Department for International Development
DINER	Diversification for Nutrition and Enhanced Resilience to El Niño drought emergency
DMA	Disaster Management Authority
DRM	disaster risk management
ECHO	European Commission Humanitarian Aid and Civil Protection Department
EU	European Union
FAO	Food and Agriculture Organisation
GDP	gross domestic product
HCT	Humanitarian Country Team
HEA	Household Economy Approach
IMF	International Monetary Fund
LVAC	Lesotho Vulnerability Assessment Committee
MIS	Management Information System
MoSD	Ministry of Social Development
NGO	non-governmental organisation
NISSA	National Information System for Social Assistance
OAP	Old Age Pension
OPM	Oxford Policy Management
OVC	orphans and vulnerable children
PMT	proxy means test
RIASCO	Regional Inter-Agency Standing Committee
SADC	Southern Africa Development Community
SPRINGS	Sustainable Poverty Reduction through Income, Nutrition and Access to Government Services
UN	United Nations
UNICEF	United Nations Children's Fund
USAID	United States Agency for International Development
WFP	World Food Programme

1 Approach and method

1.1 Research questions

Globally, the frequency, size and duration of disasters and crises—be they the consequence of natural phenomena or economic or political shocks—are on the rise. The cost of responding to these disasters has been increasing, too. While national governments bear the main responsibility for mitigating the risk of shocks and responding to them, the demands placed on the international humanitarian community to provide assistance continue to grow. The value of international humanitarian assistance keeps hitting record highs—the last three years have each seen the highest ever levels of assistance provided—yet the gap compared with what is needed continues to widen (Development Initiatives, 2016).

Many shocks are predictable and protracted, and often slow-onset. For this reason governments and international agencies alike are committed to finding a way forward that responds more efficiently and effectively, rather than reactively, to shocks: they aim to 'use existing resources and capabilities better to shrink humanitarian needs over the long term', in the words of the Grand Bargain made by the humanitarian and development communities at the World Humanitarian Summit ('Grand Bargain', 2016, p. 14). Many actors are now asking whether and how long-term social protection systems can be part of the solution, since these are already intended to meet the needs of the poorest households, to build resilience and to respond to crises.

This research programme has been commissioned to explore this issue. We examine two related but distinct themes: first, social protection and its potential role in shock response; and second, the opportunities for coordination (and possible integration) of humanitarian interventions, disaster risk management (DRM) and social protection.

Our overarching research question is: **What factors enable social protection systems to be responsive to shocks and to deliver effective shock response?**

There are two associated sub-questions:

1. What features in the design and implementation of social protection systems facilitate an effective response to shocks?
2. How can humanitarian, DRM and social protection systems best work together for effective responses to shocks?

We are addressing these by means of a series of six country case studies—including this one—and a number of related outputs (a literature review, synthesis report, toolkit and others).

1.2 Approach taken in Lesotho

Lesotho has been selected as a light-touch case study of responses to a slow-onset crisis, specifically the El-Niño-induced drought and food insecurity which affected many countries across southern Africa in 2015–16. Lesotho has a wide range of government- and donor-supported social protection programmes in place, including an old-age pension, a child grant programme and a school feeding programme. In common with many countries in the region it also has standard procedures for assessing annual food insecurity through the Lesotho Vulnerability Assessment Committee (LVAC). We learn whether and how these interventions and systems have been used in the response to El Niño, and how the humanitarian, social protection and DRM actors are working together to address the crisis. In 2012–13 the country piloted the scale-up of its Child Grant Programme (CGP) to respond to a food crisis brought about by flooding and late rains, so

we also briefly consider whether that experience shaped or influenced the current response (Niang and Ramirez, 2014).

The research uses a broad set of analytical tools (see Annex B for details of the method). These include an analysis of poverty and vulnerability, a mapping of policies and interventions, a review of their effectiveness in response to shocks and an analysis of the factors that shape their design and performance, including political economy issues, operational capacity and financial resources. Primary research was undertaken during a two-week research period in October 2016, during which we had consultations with over 30 key informants from government, United Nations (UN) organisations, multilateral donors and non-governmental organisations (NGOs), in the capital, Maseru, and in one district. A consultative approach was taken to the research: concepts, preliminary and emerging findings were presented and discussed at a meeting at the end of the research visit and comments provided to the earlier drafts were considered in finalising the report.

1.3 Terminology and research scope

It is useful to define the term ‘shock-responsive social protection’, since all social protection is inherently intended to respond to shocks. In this research we use the term ‘shock’ to refer implicitly to covariate shocks, i.e. those that affect large numbers of people and/or communities at once. Covariate shocks may be natural, economic or political. We focus on the types of covariate shock that affect a substantial share of the population and result in a ‘crisis situation’ that is likely to trigger an international humanitarian response. However, we do not cover the influx of refugees, which triggers specific international mechanisms and is not the sole responsibility of the host country, or disease outbreak, which calls primarily for a response from the health system.

We adopt a broad definition of social protection which encompasses a range of instruments including, for example, food distributions, cash transfers, school feeding, grants for goods and basic foodstuffs, subsidies, health insurance and pensions. The research therefore considers both contributory and non-contributory instruments. Similarly, state and non-state social protection providers are included. We include interventions that can be put in place in advance of a shock to mitigate its impact, not only those implemented after the event. A subset of these interventions is explored for each case study. In Lesotho, for example, we examine mainly the contribution of a cash transfer programme and a food price subsidy, and also consider the reasons why the school feeding programme and pension were *not* specifically used or adapted to the crisis.

Two further concepts merit a brief mention here as they drive the diagnosis of what types of needs a country must address, and what sort of response is feasible¹. First, in terms of need, we recognise that social protection needs in relation to covariate shocks fall into three categories: structural, seasonal and humanitarian. ‘Structural needs’ refer to the type of chronic poverty commonly addressed by long-term social protection programmes. ‘Seasonal needs’ refer to cyclical crises whereby every year or so, poor weather or other conditions push an additional number of households into requiring short-term assistance. ‘Humanitarian crisis needs’ refer to the occasional exceptional year or event when communities that usually manage without any assistance find themselves in need of support.

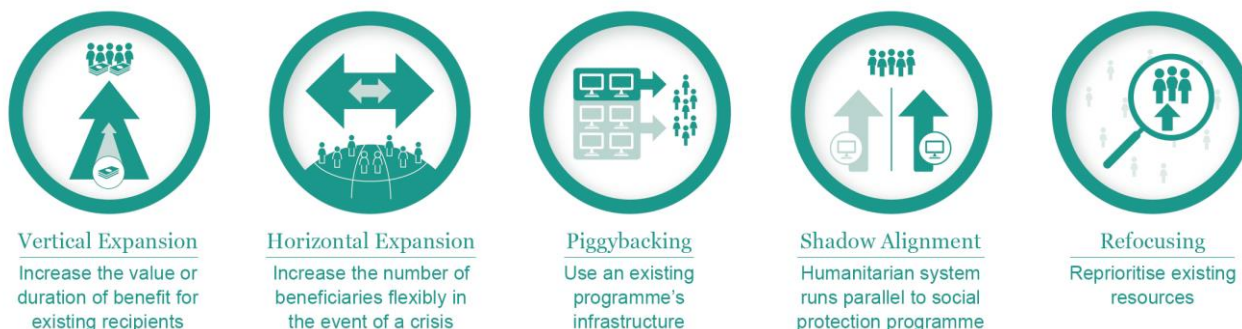
Second, in terms of response, we note that the ability of a formal (as opposed to informal, household-level) social protection system to handle shocks depends to a large part on the degree of maturity of the system. Our emphasis on understanding opportunities for using state-run social protection systems to respond to shocks means that our studies cover countries where some kind

¹ The concepts are presented fully in [OPM \(2015\)](#).

of system is in place. In some cases it is only nascent and we take into account the implications of this.

A starting point for the research was a thorough literature review which identified five main ways in which social protection and humanitarian assistance interventions may adapt or collaborate to address needs arising from covariate shocks (OPM, 2015). We have organised these into a typology of shock response (Figure 1):

Figure 1 Typology of shock response



Source: OPM (2015).

In brief, systems are not only shock-responsive if they provide top-ups to existing beneficiaries or temporarily add beneficiaries to existing social protection programmes (which we term 'vertical expansion' and 'horizontal expansion' respectively)—although these are two commonly perceived options, often referred to as 'scaling up' an intervention in response to a shock. Other possibilities include taking advantage of part of an existing programme's infrastructure, such as a database or its personnel, while delivering an entirely different intervention ('piggybacking' on the system); running a separate humanitarian intervention that is designed to have the characteristics of a long-term social protection intervention, in order to facilitate subsequent integration ('shadow alignment'); and, if no additional budget is available, simply 'refocusing' existing resources on the priority households suffering from the shock. This typology is referred to throughout the report.

2 Shocks and vulnerability in Lesotho

Key points

- Less than 10% of Lesotho's largely mountainous territory is suitable for cultivation. Any agriculture is often rain-fed. Most food is imported from South Africa.
- Lesotho is prone to droughts, having experienced three major droughts in the last decade. It was foreseen for some time that the extreme El Niño event across southern Africa would lead to greatly increased food insecurity: a failed planting season meant a failed harvest was inevitable.
- The Government of Lesotho declared a state of drought emergency in December 2015. Some 700,000 people—one-third of the population—was estimated at risk of food insecurity in early 2016, of whom 477,000 were classified as being in 'survival deficit', in need of immediate assistance.
- Since South Africa is also affected there has been a rise in the cost of food imports, too.
- Lesotho is a lower middle-income country to which agriculture contributes only a small proportion of GDP but on which a disproportionately high number of livelihoods depend, as growth is driven by capital-intensive rather than labour-intensive jobs eg. mining. About 15% of the population of 2.1 million works abroad, mainly in South Africa.
- Some 57% of the population is below the national poverty line. Inequality is quite high. Movements in and out of poverty are fairly limited.

2.1 The major shocks and crises

Lesotho's unusual geographical and topographical situation—as an enclave of 2.1 million people in South Africa, in which more than two-thirds of the territory consists of mountainous highlands—have an impact on the nature of the shocks to which it is prone. There are five livelihood zones: the northern and southern lowlands, the foothills, the Senqu River Valley, and the mountains (DMA, 2012). Less than 10% of the country is suitable for cultivation, and this arable land produces only around 30% of the national food requirement while the remaining 70% is imported from South Africa (LVAC, 2016). The highlands are predominantly used for livestock grazing (Kingdom of Lesotho, 2012). In terms of agriculture, Lesotho relies on rain-fed, subsistence production of maize, sorghum, and wheat with few improved inputs (UN, 2014). The country's main natural resources are water and diamonds. **Climate shocks**—particularly drought, but also floods—are a common feature of the environment. **Economic shocks** and occasional **political instability** are also found to occur.

2.1.1 Climate shocks

Lesotho is highly vulnerable to climate change, according to the United Nations Framework Convention on Climate Change. Its frequent droughts result in poor harvests and livestock losses since agriculture is mainly rain-fed. Moreover, the country is subject to heavy snowfalls, strong winds and floods (Global Climate Change Alliance, nd). The climate is expected to become warmer and drier with more frequent and more intense droughts and floods (Kingdom of Lesotho, 2012). The major climate shocks of the last 10 years have been the droughts of 2007, 2011 and 2015–16: on each occasion several hundred thousand people were affected. Droughts affect the entire country, extending into all 10 of Lesotho's administrative districts, including around the capital, Maseru (Figure 2). In contrast, floods have affected a much smaller number of people (5,000 in 2011, for example) (CRED, nd).

Figure 2 Map of Lesotho

Source: US Central Intelligence Agency. Note: The 10 districts are divided into 64 administrative subdistricts known as community councils.

2.1.2 Economic shocks

Given Lesotho's size and position it is hardly a surprise that its economy is strongly dependent on South Africa. The Lesotho *loti* is pegged to the South African rand, as it is part of a common monetary area together with Swaziland and Namibia. More than 300,000 people—some 15% of the total population—live outside the country, and South Africa is the top destination for emigrants: more than nine in every 10 migrants is based there (UN Population Division, 2013, cited in UNICEF, nd; World Bank, 2016c). This dependency means that Lesotho can be hit rapidly by exogenous economic shocks (Tafirenyika, 2011).

There is a long history of interaction between Lesotho and South Africa. For most of the 20th century as much as half of the Basotho adult male population worked on a temporary basis in South Africa, mostly in the gold mines. In 1990 remittances represented almost 79% of the country's GDP. This has shrunk considerably since, to only 16% in 2015 (UNICEF, nd; World Bank, 2016d). The retrenchment of South Africa mines brought fewer job opportunities and a fall in remittances received. The number of Basotho employed in the mines declined from 120,000 in the 1980s to fewer than 40,000 in 2013 (UN, 2014).

2.1.3 Political unrest

Lesotho is perceived to be mid-range in terms of its political stability: it has a history of periods of stability followed by occasional political tension and violent conflict from time to time, especially during election periods. After the 2007 elections there were violence, contestations, and

assassinations because of alleged electoral manipulation. Most recently clashes between the police and the army supporting opposite political actors led in August 2014 to an alleged coup, forcing the then-prime minister to seek refuge in South Africa (Vhumbunu, 2015). The World Bank's composite index of political stability, which measures the likelihood of the unconstitutional destabilisation of the government and ranges from -2.5 (very unstable) to +2.5 (very stable), has placed Lesotho consistently between -0.5 and +0.5 for the last 20 years (TheGlobalEconomy.com, 2017).

2.1.4 El Niño and the drought of 2015–16

It had been foreseen for some time that the extreme weather conditions brought about by the strongest El Niño event experienced in 35 years would lead to drought and a significant increase in food insecurity across southern Africa. The whole region has suffered two consecutive years of delayed rains and droughts, affecting both the 2014-15 and 2015-16 agricultural seasons. In Lesotho, the late onset and uneven distribution of rain caused a poor planting season in 2015—the area planted being 34% lower than the year before—which heralded an inevitable poor harvest affecting every district in the country (LVAC, 2016). Compounded by a subsequent frost on late-planted crops, the climate shock has caused a huge decline in cereal production, increasing the need for food imports: maize production is estimated to have declined by about 61% compared to the previous year (LVAC, 2016).

The Government of Lesotho officially declared a state of drought emergency on 22 December 2015, and a rapid LVAC vulnerability assessment in January 2016 estimated that over 500,000 people were food insecure. By the time of the fuller assessment in May 2016 this had risen to over 700,000 people, or more than one-third of the population, of whom only about 30,000 were deemed to be made food secure by their current safety net provision². About two-thirds of affected people (477,000) were classified as being in 'survival deficit'^{3,4}.

The same El Niño-induced drought, being a regionwide phenomenon, has caused a sharp increase in the maize price and of its substitute wheat in South Africa, too, exacerbated by the depreciation of the rand (Prifti et al., 2016). Consequently, food prices in Lesotho have sharply risen since January 2016 when Lesotho's main maize importers have restocked from South Africa (LVAC, 2016). This marks an additional complexity in the present drought compared with the previous one in 2011, which was only in Lesotho and not the wider region.

2.2 Key poverty issues for social protection provision

Lesotho experienced sustained economic growth in the last two decades fuelled by manufacturing, exporting and public investment. The country has seen a shift from being a subsistence economy to a middle-income exporter of natural resources (diamonds, water) and manufactured goods (a sector in which the textile industry contributes almost 90% of jobs)⁵. The considerable growth of the industrial sector—mainly textile and mining—and service sector (transport, communication, and financial services) mean that agriculture accounts today for only a small share of GDP (Table 1).

However, as growth is driven by capital-intensive activities such as mining, it has had limited impact on the rest of the economy. Although the structural transformation of the economy has

² It has been indicated by some respondents that not all safety nets were taken into account in this calculation.

³ See Table 5 in section 4.2 below for breakdown by district.

⁴ 'Being in 'survival deficit' is classified as not being able to meet the minimum food requirement of 2,100kcal per day, plus drinking water and basic non-food items including soap and cooking fuel (WFP, 2016).

⁵ Lesotho does not export water *per se* but receives royalties for having diverted a water source to serve South Africa.

created some new employment opportunities, a large share of the population is still dependent on agriculture, which has lagged behind (World Bank, 2013). Youth unemployment is rising and has become a major problem (UN, 2014). Economic growth has not significantly lowered poverty despite the slow rate of population growth. Some 57% of the population is below the national poverty line, with poverty particularly widespread among larger households with more dependants (World Bank, 2013). There is high inequality and a large urban–rural divide in poverty levels.

Table 1 Basic demographic and socioeconomic data

Indicator	Value
Demographic indicators	
Population (million)	2.1
Rural population (%) ¹	73
Fertility rate (births per woman, 2014)	3.2
Life expectancy at birth (2014)	50
Under-5 mortality rate (per 1,000 births)	90
Population under 14 years (%)	36
Annual population growth (%)	1.2
Human development indicators	
Human Development Index ranking (out of 188)	160
Under-5 stunting, 2014 (%)	33
HIV prevalence (% population aged 15–49)	23
Economic indicators	
Poverty headcount (national poverty line, 2010/11) (%)	57
Rural	61
Urban	40
Gini index (2010)	0.54
GDP per capita (current US\$)	1,067
Primary sector ² (% of GDP)	6

Source: Authors based on World Bank data. Human Development Index is from UNDP (2016). Notes: Unless otherwise specified, indicators are for 2015. Notes: (1) This is based on the 2006 population census calculations. (2) Primary sector is any sector that directly draws on natural resources. It normally includes agriculture and livestock, fisheries, forestry and mining.

The characteristics of poverty tend to vary by ecological zone. In all five zones rural households live off agriculture and remittances from urban centres. In the mountains, where the focus is on livestock grazing, herd sizes are typically small, and herds are viewed as a store of wealth so are very infrequently sold or slaughtered.

Around 90% of all farmers cultivate small plots of less than one hectare, using traditional practices and producing little or no surplus (UN, 2014). The poorest tend to own land of poor quality and/or they lack labour to cultivate it or cash to buy fertiliser and inputs. As a consequence of the low productivity of agriculture and minimal integration with markets, the poor engage in multiple seasonal activities; they are also linked to the cash economy through the receipt of remittances, and to female employment in the textile industry (World Bank, 2013).

Food security and rural poverty in Lesotho are closely related to agricultural seasonality. The poor are only able to produce enough maize to last few months after the harvest and need afterwards to resort to the market, where supply is guaranteed by import from South Africa. The poor tend to purchase from the market more than non-poor (World Bank, 2013). Indeed, there is some evidence

that the poorest households are disproportionately affected by price shocks in Lesotho (Prifti et al., 2016). Chronic malnutrition is one of the highest in southern Africa: the under-5 stunting rate reaches 48% in Mokhotlong district.

The high prevalence of poverty and food insecurity is influencing and being aggravated by the fact that Lesotho has the world's highest HIV adult prevalence rate after Swaziland. The epidemic is concentrated in the most productive age group with women having higher infection rate than men (especially in urban areas), and affects labour and agricultural productivity, creating a growing number of orphans and female headed households. As a consequence of the high HIV rate, life expectancy is lower than in 1970.

The decline in employment opportunities in South African mines and the reduction in remittances have hurt the poor. It has also been suggested that these have affected gender relations. Migrating men working in the mines were away for years at a time leaving wives to act as *de facto* household heads. This was in contrast with Lesotho's highly patriarchal society and adherence to traditional sociocultural beliefs that do not favour gender equality and has created a reason for conflict with the reduction in male migration (Slater and Mphahlele, 2008).

2.3 Vulnerability to shocks

Movements in and out of poverty are limited in Lesotho. The extremely poor tend to be unable to improve their conditions due to their low productivity and the low returns to their labour in the subsistence economy or their lack of basic assets (including health, skills, and education). In addition, poor households are vulnerable to a range of shocks. The evaluation of the CGP pilot in 2011 showed that 56% of households were affected by a severe shock in the previous 12 months. Of these, 45% were hit by a shock related to crop failure (Pellerano et al., 2012). They face regular climate shocks, in particular, and are among the most vulnerable to climate change because of their dependency on rain-fed agriculture. They have little access to coping strategies, including sale of livestock in emergency (Davis, 2011).

3 Institutional context for social protection, DRM and humanitarian response

Key points

- Lesotho has a strong political commitment to social protection and spends a high percentage of its budget on social assistance. The Ministry of Social Development (MoSD) leads on social protection policy but some of the largest programmes are run elsewhere.
- The MoSD's main programme is the Child Grant Programme (CGP), a cash transfer that reaches about 7% of households but is only present in half the country. It has developed an information system, the National Information System for Social Assistance (NISSA), that includes data on non-CGP households and that was envisaged for use by other programmes as needed.
- The National School Feeding Programme (Ministry of Education) has greater coverage, and the Old Age Pension (OAP) (Ministry of Finance) is of higher value to recipients. The government introduced a food subsidy in 2016 in response to El Niño. There is also a cash for work initiative.
- DRM activities are led by the Disaster Management Authority (DMA) and have been enshrined in law for 20 years. The DMA has some relevant policies and contingency plans, and runs the annual LVAC assessment to determine food security. It faces challenges in coordinating DRM nationwide owing both to resource constraints and to the ambiguous division of roles, responsibilities and reporting lines between national and district levels. Implementation of emergency response is deconcentrated to district-level disaster management teams.
- While many non-government agencies are in country (including UN agencies, donors and NGOs), their presence is usually rather light compared with other countries as Lesotho is relatively small and not considered fragile or conflict-affected. An increased humanitarian presence was drafted in to respond to El Niño; some of the response is being handled at regional level for southern Africa as a whole.

Lesotho benefits from the long-standing commitment of its government to the principles of social protection, which has led to the creation of a remarkably diverse set of programmes to support households and individuals. The share of gross domestic product (GDP) devoted to non-contributory social assistance programmes alone, excluding subsidies, is nearly triple the average for sub-Saharan Africa, at 4.5% of GDP compared with an average of 1.7% (World Bank, 2016a): the technical challenge for social protection is focused more on the effective and equitable use of these resources than on advocacy for more funds. In addition the government delivers an annual response to food insecurity through the LVAC process led by its Disaster Management Authority (DMA). We review here the features of the government's organisational setup, policies and interventions in these two areas—social protection and DRM—that have implications for their relevance and effectiveness to respond to covariate shocks. We also consider the institutional arrangements for humanitarian response, including those brought about by the establishment of a UN Humanitarian Country Team in 2016.

3.1 An overview of the social protection system

3.1.1 Institutional setting

Lesotho's social protection programmes are delivered through a number of government ministries. The establishment of the Ministry of Social Development (MoSD) in 2012 as a spin-off of a department in the Ministry of Health, and the government's adoption of a 10-year National Policy on Social Development and an accompanying medium-term National Social Protection Strategy (NSPS) in December 2014, aim to bring more coherence to the sector. The National Policy on Social Development sets out the vision for the period 2014–24 and emphasises a shift from a welfarist approach to one where the vulnerable population is facilitated to participate actively in the country's social and economic development (Government of Lesotho, 2014a). The NSPS offers an

approach to delivering that vision in the medium term, from 2014 to 2019. It analyses shocks and vulnerabilities facing the population through a life-cycle lens, proposing a set of programmes from pregnancy and early infancy through to old age.

Despite these steps the sector remains fragmented. The concept of social protection, as defined in the strategy, is well understood by the MoSD and by some at the technical level in other ministries, but remains less understood at the political level. While many government resources are allocated to social assistance programmes, they are not necessarily viewed as social protection programmes by their respective custodians. An estimated three-quarters of government expenditure on non-contributory social assistance (excluding subsidies) is directed to the Old Age Pension (OAP) managed by the Ministry of Finance and the National School Feeding Programme run by the Ministry of Education and Training (World Bank, 2016a). Neither is perceived by its implementers as a 'social protection' intervention, generally a term that is not widely recognised or used by the government and as one key informant implied was reserved for donor-driven activities rather than initiatives fully led and funded by the government.

At the time of writing there are no mechanisms for coordinating the overarching social protection system. There is a proposal to establish a Cabinet Social Protection Committee, with a secretariat in the prime minister's office and supported by several coordination committees: a National Social Protection Policy Committee at the level of principal secretaries to coordinate programmes; a Social Protection Technical Committee at the director level; and District Social Protection Committees. This was approved by the government at the end of 2016.

3.1.2 Social protection landscape

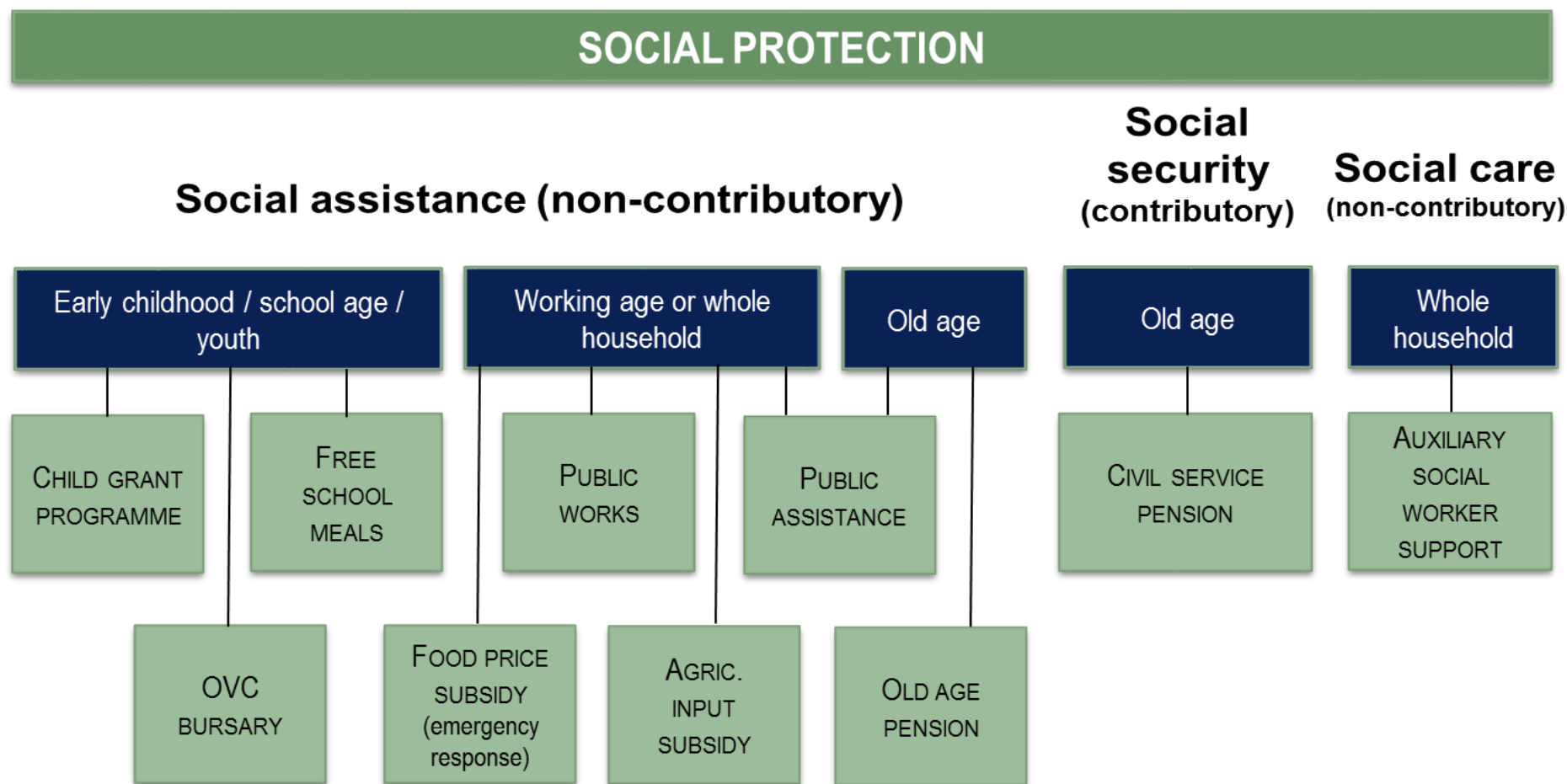
Social protection, in the definition used by our research, covers non-contributory social assistance and social care, and contributory social insurance (Lesotho uses the term 'social security' for the latter). The social protection landscape in Lesotho is dominated by non-contributory social assistance programmes (Figure 3 and Table 2). Applying the life-cycle lens, these comprise the following:

- Children and young people: the Child Grant Programme (CGP), the National School Feeding Programme and school bursaries for orphans and vulnerable children (OVCs);
- Working-age adults or for households as a whole: a public works programme, an agriculture input subsidy programme, a temporary food price subsidy and the long-running Public Assistance scheme;
- Older people over the age of 70: the OAP.

Many of these programmes reach a significant proportion of Lesotho's population of 2 million, including the National School Feeding Programme (around 390,000 primary school children), the CGP (27,000 households) and the OAP (80,000 individuals). Meanwhile contributory social security is confined to the civil service (the largest formal employer in Lesotho) and private sector pensions. Social care consists mainly of support by social workers to those in need.

Beyond these programmes, a key component of Lesotho's social protection landscape is its development of a non-programme-specific database, the National Information System for Social Assistance (NISSA). This has been designed as part of the targeting for the CGP but is envisaged as a repository of household information to be used, over time, by all other social assistance programmes. We highlight here some features of the CGP, the main focus of this study (including the NISSA), and other social assistance interventions with respect to their relevance in emergencies.

Figure 3 Social protection landscape



Source: Authors. Note: The NSPS recognises additionally Lesotho's tertiary bursary scheme as a social transfer, stating that it is not strictly social protection since it has no welfare purpose. Expenditure on the scheme is almost as large as on the school feeding programme and OAP combined (Government of Lesotho, 2014c). It suggests bearing them in mind because, 'reforming them in a way that makes them more cost-efficient [...] might free up resources that could be used for core social protection interventions' (Government of Lesotho, 2014c, p.7).

Table 2 Key features of Lesotho's social assistance programmes

	Programme	Description	Coverage	Level of benefit
Child	CGP ^a	Cash transfer programme targeting poor households with children under the age of 18, identified through a combination of community-based targeting and proxy means-testing.	Around 27,000 households (about 130,000 people) in 36 community councils	Quarterly benefit dependent on number of children: <ul style="list-style-type: none"> • 1-2 children M360 (\$26) • 3-4 children M600 (\$44) • 5+ children M750 (\$55)
	National School Feeding Programme ^b	1-2 free meals daily to all children attending primary schools offering free education (1,450 schools) and some pre-schools	<ul style="list-style-type: none"> • 390,000 primary school children (2016) • Starting support to 50,000 in pre-school 	In transition during 2017. Two models were in place at time of El Niño response: <ol style="list-style-type: none"> 1. 250,000 children receive two meals per day. Porridge, then lunch (implemented by WFP) 2. 140,000 children—mostly in lowlands—receive lunch ('catering model').
	OVC bursary programme ^c	OVCs under 18 enrolled in secondary school. Eligibility requirement: students who have lost one or both parents; have a sick, disabled or incarcerated parent; or are considered needy	13,172 children	Bursary varies by grade and type of school but generally includes tuition fees, examination fees, registration cost, stationery, books, special subject fees (e.g. science fees and boarding fees)
Working age / household	National Public Works Programme ^d	Public works programme employing able-bodied individuals living in rural areas for conservation-related activities (not poverty-targeted)	Estimated 58,000–115,000 individuals a year (first come, first served) (2013 estimate)	M960 (\$70) per month for a maximum of one month per year and on a rotational basis. There are indications that this has increased to M1,100.
	Agriculture input subsidy ^d	Provision of subsidised seeds and fertilisers to farmers	Not clear	M140 and 50 kg bag of fertiliser
	Food subsidy	Temporary programme introduced by government in response to drought (see section 4)	Nationwide	30% subsidy on wholesale value of certain types of maize, beans and peas.
	Public Assistance ^e	Support to destitute individuals. One of the country's oldest social assistance programmes, it provides permanent and temporary assistance to OVCs, the severely disabled, severely ill and elderly	11,800 individuals supported between April 2014 and January 2015 (an ongoing programme but difficult to get latest figures)	Monthly cash transfer, food package and medical fee exemption and other in-kind benefits for destitute households and individuals. Amount determined by social workers. Temporary cash benefit is M250 (\$18) per person per month for 6 months
Elderly	OAP ^f	Pension for any person over the age of 70 and not receiving civil service pension. This is application based.	More than 80,000 individuals	Monthly payment of M580 (\$43)
Source: (a) MoSD interview (b) Government of Lesotho (2014b) (c) Cirillo and Tebaldi (2016) (d) World Bank (2013) (e) Ministry of Small Business interview (f) Ministry of Finance interview.				

An important feature of social protection in Lesotho is that most of the programmes are funded by the government itself, with development partner support confined to provision of technical assistance to improve the overall system (Box 1).

Box 1 International support to social protection in Lesotho

Social protection programmes in Lesotho are largely financed by the government. Development partner support to social protection consists primarily of technical assistance to strengthen the system. The EU is assisting the MoSD to pilot an Integrated Social Safety Net project—that seeks ways to harmonise the programmes managed within the MoSD—and to scale up the NISSA and CGP, having provided much support in the past to conceive these and finance their initial few years of operation. The EU's current €8 million support is financed through the European Development Fund Bridging Facility and managed through UNICEF. Similarly the World Bank has begun a new \$20 million Social Assistance Project (2016–20) to improve the efficiency and equity of the non-contributory social assistance programmes with much focus on harmonising their main design and implementation features. Through its Crisis Response Window funding, the World Bank allocated an additional \$20 million to the Social Assistance Project in late 2016 as a response to the El Niño crisis (see also section 4 below) with the aim of both providing immediate assistance to households, in the form of top-ups to CGP beneficiaries, and improving the future shock-responsiveness of the social protection system. Other actors involved in social protection include WFP, which supports the national school feeding programme financed largely by the government, and the FAO, which is exploring linkages between social protection and agriculture.

Source: Authors, from programme documentation.

3.1.3 CGP

The CGP was launched in 2007 as a pilot grant to support OVCs to cope with the effects of HIV and AIDS, with financial and technical support from the EU and UNICEF respectively (Thomson and Kardan, 2012). It has evolved into a grant to poor households with children up to the age of 18. It is now a nationally funded programme housed in the MoSD and, at the time of El Niño, reached 26,635 households in 36 of the 64 community councils (subdistricts) across all 10 districts (see Table 5 in section 4.1 below for coverage by district).

Identifying and registering households

The CGP identifies eligible households through community consultations combined with the application of a formula, the proxy means test (PMT), to information captured in a registry. At its heart is its information system, the NISSA. In most participating community councils—33 out of 36—households were registered under the 'old NISSA' system. Targeting began with the collection of data on the characteristics of as many households as possible, followed by the application of the PMT to assign households to one of five categories, from NISSA 1 (ultra-poor) to NISSA 5 (non-poor) (Carraro and Marzi, 2014). In parallel, community representatives were asked to make their own categorisation of households into these groups. If the PMT and community-led process had both categorised a household as NISSA 1 or 2, those with children were eligible for the CGP.

Under recent revisions ('new NISSA') piloted in three of the 36 community councils, greater weight is placed on the community's identification of eligible households. First, the community is asked to review a comprehensive list of households in their area and identify the 50% that fit into the ultra-poor and very poor categories, NISSA 1 and 2. A detailed survey is then carried out only to this 50%, to which the PMT is then applied to identify those eligible for the CGP by removing the better off households only.

The registration process has several major implications for the use of the NISSA in the event of a shock. First, while about 100,000 households are recorded on the 'old NISSA' database, no data have been collected in 28 out of 64 community councils. Second, the data collection process in the

'old NISSA' was mainly carried out between 2010 and 2013 and has yet to be updated. Third, under the 'new NISSA', detailed data are collected on only 50% of households in each community. Section 5.2 analyses the implications of these features of the NISSA for the response to El Niño.

Payments

CGP recipient households are entitled to quarterly benefits that vary according to the number of people in the household: M360 (\$26) for those with one or two members; M600 (\$44) for those with three or four members; and M750 (\$55) for households with five or more members.

Recipients in 30 community councils are paid by G4S, a private security firm that makes payments manually. This entails delivering cash in envelopes to recipients in specified locations, in principle every three months. The CGP is piloting alternative payment modalities in the remaining six community councils through banks and mobile network providers: Standard Lesotho Bank, Vodacom and ECONET. These do not have wide enough coverage to be used everywhere as the payment mechanism. The mechanisms have different cost implications if they are to be used to deliver additional assistance during a crisis. The commission paid to G4S and Standard Lesotho Bank is a flat rate, regardless of the value of the transfer, so a top-up to payments does not directly increase the commission. In the case of manual distribution of cash by G4S a top-up increases the cost of insurance of delivering the cash, and the extra envelopes for handing it out. Mobile network providers receive their commission as a percentage of the value transferred, so a top-up to beneficiaries increases the commission to the provider, though the amount is small.

3.1.4 Other major social assistance interventions⁶

National School Feeding Programme

The provision of free meals to pupils attending primary school has been a cornerstone of social protection and education policy for over 50 years. For many decades the scheme was run by WFP. During the 1990s the Government of Lesotho took over the programme in the lowlands. A new National School Feeding Policy, drafted in 2014, has brought about plans for the government to take over management of the scheme from WFP in the remaining public primary schools, starting in early 2017. The government has already been paying WFP for its management of part of the programme since 2011. At the time of the El Niño crisis some 140,000 pupils in the lowlands were covered by the government-run scheme, and 250,000 in the highlands were covered by WFP. Differences in terrain and population density mean that the two programmes operate using different models. Lowland areas, where local people can more easily purchase and transport food as well as cook it, operate the 'catering model': individuals are contracted to buy and transport the food, and to cook one meal per pupil per day, receiving M3.50 (\$0.26) per child. In the highlands, where it is expensive for caterers to fetch and transport food, WFP uses a 'procurement model': it supplies and delivers the food, and the government hires local people to cook it, at M1.50 (\$0.11) per child per day. Pupils in WFP-supported schools receive two meals daily. When the government takes over the WFP areas it intends to continue the procurement model, hiring national managing agents to work with farmers to produce enough food for use in the school feeding programme.

OAP

Lesotho has paid non-contributory pensions to older people since November 2004. The OAP is the only social protection programme in Lesotho enshrined in law (the Old Age Pensions Act 2005)

⁶ This light touch study focuses mainly on the CGP and does not fully explore other social protection programmes. The public works programme and Public Assistance programme may merit further review for their shock-responsive potential.

and with its own detailed regulations, most recently amended in 2014. All people aged 70 or older, apart from those receiving a civil service pension, are eligible. The pension is far greater than the value of the CGP, at M580 per person per month (compared with the CGP's highest value of M750 (\$55) per quarter). The OAP is managed by the Ministry of Finance and the transfer is paid physically in cash each month at a paypoint selected by the recipient.

Pay officers or local authorities are meant to report the deaths of beneficiaries to the ministry to enable removal of the name from the list. However, this is often not done owing to either collusion or error: mechanisms for verification are not in place, and households are permitted to designate a proxy recipient on behalf of individuals who are too ill to attend the pay point so it may not be evident if a recipient has died. A recent study suggested that the 80,000 registered recipients of the OAP exceeded the total number of people over the age of 70 in the country (Dietrich *et al.*, 2016).

National Public Works Programme

This public works programme—considered as a temporary employment scheme and locally known as 'Fato Fato'—is implemented through the Ministry of Forestry, Range and Soil Conservation. It offers a maximum of one month of work per household per year, for conservation-related activities (e.g. planting trees). The work is offered on a first-come, first-served basis and is not specifically targeted at poor households. At the time of a review in 2013 it paid participants M48 per day for up to 20 days (ie. a maximum of M960, or \$70) (World Bank, 2013)⁷. It was estimated that between 58,000 and 115,000 individuals participated during the year (World Bank, 2013)⁸.

Food subsidy

A subsidy of 30% on the price of sugar beans, split peas and two medium-quality brands of maize meal was introduced in June 2016 as a temporary measure in response to the El Niño drought. A similar subsidy has been tried before in response to a crisis, in 2007–08. The subsidy, which is managed by the Ministry of Small Business Development, Cooperatives and Marketing, is envisaged to run until May 2017 provided that funds are available to sustain it⁹. It is universal, so not targeted specifically at poorer households. The brands of maize meal that are subsidised are commonly used in urban rather than rural areas and is still more expensive than the cheapest maize. Section 4 analyses the contribution of this subsidy to the crisis response.

3.2 An overview of the DRM system

Disaster management has been recognised as an important policy issue in Lesotho for decades. The current national planning document, the National Strategic Development Plan 2012/13–2016/17, states that making provision for vulnerability to natural disasters and climate change is an essential aspect of strategic planning (Kingdom of Lesotho, 2012). The Disaster Management Act of 1997 provides the legal basis for the management of disasters and for how risk reduction activities and responses are financed. It establishes the DMA as the central planning, coordination and monitoring institution for DRM (several committees and units for disaster management had existed before then, across different ministries). The DMA, together with district-level authorities, is vested with powers to manage emergencies arising out of natural and manmade disasters with activities across the DRM spectrum: prevention, mitigation, preparedness, response and recovery.

⁷ A draft note suggests this to have subsequently been increased to M1,100.

⁸ There is little public information available on this programme and the researchers were unable to access relevant people within the Ministry of Forestry, Range and Soil Management to gain further information.

⁹ Further information at the time of finalisation of this report suggests that the funds were sufficient.

The DMA is headed by a chief executive officer (CEO) who reports to the minister within the office of the prime minister and is the national relief coordinator. The CEO is supported by a deputy, a board of directors, an executive working group and six permanent sector working groups (pitched at director level) that meet quarterly to monitor impending disasters and ensure preparedness. Working groups cover the sectors of agriculture and food security, water and sanitation, health and nutrition, food and logistics, training, and information. Their membership includes UN agencies, NGOs and the private sector as well as government representatives.

In the event of a declaration of an emergency an ad-hoc hierarchical structure is activated. At the top sits a 'national disaster response task force', a committee convened by the deputy prime minister and comprising ministers from relevant sectors, tasked with overall coordination. Crucially for the present discussion, implementation of any response is deconcentrated to district level, not planned centrally: District Disaster Management Teams (and equivalents at village level) provide the local structures that support coordination of the response. The District Disaster Management Teams comprise local representatives of relevant government ministries—including the DMA and MoSD—but also UN agencies, such as WFP, and any NGOs operating in the area. These teams oversee the decisions as to which households should be supported and who should work where.

Despite its long-standing legal foundation, the DMA struggles with limited technical and financial capacity and limited supporting infrastructure, which lead to challenges in its ability to steer a coordinated national response to major covariate shocks on the scale of El Niño. It does have a DRR policy and also a multi-hazard contingency plan, a scenario-planning document that sets out what will be done in the event of each type of shock (drought, flood etc.). The drought contingency plan was used as part of the guidance for dealing with the El Niño response. The DMA also conducts the nationwide annual LVAC assessment of food security which is an important element in the system for managing responses to food security-related shocks.

However, a recent review of the institutional and organisational landscape of disaster risk reduction (DRR) pointed to very slow progress in implementing laws and strategies, with little ownership of DRR policies across different stakeholders and weak coordination (DMA, 2014). The multi-hazard contingency plan is not regularly updated or supported with corresponding financial resources (DMA, 2014). The government's early warning system for disasters is currently not operational and confined to information provided by the meteorological services and there is no centralised management information system or supporting databases¹⁰.

At district level there is ambiguity in roles, responsibilities and reporting lines. The DMA sits on the District Disaster Management Teams but does not run them: they are chaired by the district administrator who reports to the Ministry of Local Government and Chieftainship Affairs and is not answerable to the DMA nationally. The Local Government Act has no provisions for DRM.

3.3 An overview of the humanitarian system

Complementing the government's own programmes, Lesotho hosts many donor organisations, UN agencies and international and national NGOs that support ministries with long-term development and the annual response to food insecurity and other shocks. Many have done so for a number of years, providing technical and financial assistance to social protection programmes and livelihoods interventions (including the EU and UNICEF with the CGP, WFP with the National School Feeding Programme among other interventions, and the FAO with support for rural livelihoods). As Lesotho is relatively small and not classified as fragile or conflict-affected, several agencies—including

¹⁰ A server is in existence but has not been put into use.

DFID—cover Lesotho from a regional office or have only a light presence. The EU's development arm, the Delegation, has a permanent presence in Lesotho but its humanitarian arm, ECHO, does not.

In contrast to some other countries the UN's cluster system for sectoral humanitarian response does not operate: the sector working groups under the DMA provide the coordination function whereby the government, UN agencies and NGOs collaborate. In view of the fact that it is not highly fragile, Lesotho also does not have a national policy or strategy on humanitarian action, nor does it produce annual humanitarian response plans.

When a shock hits that exceeds the capacity of those usually in country to respond, emergency procedures are put in place and external resources are drafted in. Humanitarian Country Teams (HCTs) are activated worldwide in emergency situations, as the main platform through which UN agencies and NGOs coordinate their response. In Lesotho, terms of reference to respond to the El Niño emergency were agreed in December 2015 and an HCT was set up early in 2016. Its role is to support the UN resident coordinator to, 'lead and coordinate the humanitarian response in support of national and local authorities and promote strategic coherence among the humanitarian community' (UN, 2015, p.1). Through the HCT, agencies agree on common strategic issues (situation analyses, resource mobilisation, etc.), policy advice and prioritisation of humanitarian needs, and promote adherence to humanitarian principles during support. The HCT is supported by the UN Disaster Management Team that provides technical inputs, and that was established in Lesotho in 2013 after a previous shock.

Since the El Niño-related drought is a regionwide phenomenon, actors in the national-level humanitarian system also liaise with a Regional El Niño Response Team for southern Africa, established by the Southern Africa Development Community (SADC) in May 2016 at the SADC Secretariat. The regional team aims to perform analysis, communication, coordination and monitoring and evaluation functions across the affected countries in the region (SADC, 2016). SADC has produced a regional humanitarian response plan for the El Niño-induced drought in southern Africa (see also section 4.1 below). In addition, UN organisations and NGOs in a subset of SADC countries—the seven most affected by El Niño, including Lesotho—have drawn up a complementary action plan, the Regional Inter-Agency Standing Committee (RIASCO) Action Plan, which offers a framework for international agencies' support to governments to deliver humanitarian response and address systemic issues to mitigate future shocks (RIASCO, 2016a).

3.4 Implications for responsiveness to shocks

We see from this overview that elements of both the social protection and DRM sectors have been established for decades, and that until now they have operated rather independently from one another. The framework for DRM is set out in law, but the DMA does not have the strength in practice to deliver the leadership in a crisis that it would wish to have, particularly on account of human resource and financial constraints (see also section 6 below). Meanwhile social protection activities, while only now in the process of being brought together as a sector under a single strategy, are firmly embedded in the ministries that run the constituent programmes. The MoSD is mandated to coordinate social protection issues but does not run many of the national programmes. Government leadership (and funding) of many of Lesotho's social protection programmes is strong and their implementers do not even think of many of them as 'social protection'—a term associated with donor-led projects—so may not consider attaching non-government add-ons to them. Donors and humanitarian agencies tend to have long-standing relationships with specific ministries, such as the EU and UNICEF with the MoSD in the case of the CGP. These relationships have a bearing on the channels through which humanitarian response is delivered (see section 7 for a discussion of coordination between sectors and agencies).

4 The response to the El Niño-induced drought

Key points

- NGOs and UN agencies began supporting households directly with emergency food and cash from February 2016. Top-ups for existing beneficiaries on the CGP social protection programme CGP beneficiaries began in June. The government introduced its food price subsidy in June. FAO has done 'cash plus' interventions for CGP (seeds, training etc.)
- With these and other interventions and the overall recovery, the number of households in survival deficit reduced from 477,000 to 47,000 by early 2017.
- Implementing agencies have attempted to use social protection programmes or systems to respond to El Niño in four ways: (i) Vertical expansion of CGP (top-up) (ii) Piggybacking on CGP beneficiary list (iii) Piggybacking on NISSA database (iv) Government introduction of subsidy.
- Other interventions eg. the pension and school feeding programme were not actively used in the response. The government does not perceive these as social protection. International partners preferred to use the programmes in which they were already most engaged (eg. CGP for UNICEF/EU) and were not confident in the robustness of some other interventions. The CGP had been used in a previous response but awareness of this experience was not widespread.
- The subsidy reduced the cost of food assistance for NGOs and the school feeding programme, but was not targeted at the worst off households. The implementation of the school feeding programme was somewhat affected by the drought, though not everywhere.
- Regarding the CGP we find cautious agreement that, on balance, it might be better to make use of it than not to use it, provided it is part of a broader package. There are caveats around its reach. In 2016 it helped with the comprehensiveness of a response to El Niño, but was not the most timely or predictably funded.
- There is a risk that if too many agencies make use of the same intervention (eg. the CGP), those households will receive multiple benefits while others receive nothing or little.

4.1 The launch of the response

The official declaration of the drought emergency in December 2015 led to the formation of the national drought response task force and the initiation of the national drought response plan for January to June 2016 (Table 3). The declaration triggered the ability of international agencies to access mechanisms for emergency response that can only be used in such circumstances.

The government made early commitments to support three sectors: water, health and nutrition, and agriculture. Many of its proposals focused on communities as a whole, including the procurement of water tankers, water testing kits and nutrition supplements; the drilling of boreholes; rehabilitation of the water supply; and agricultural inputs. The government then introduced its new non-targeted **food price subsidy** in June 2016 (see section 3.1.4 above).

During the first six months of 2016, direct assistance by the government to the estimated 477,000 people most in need of immediate aid was limited. Most humanitarian cash and in-kind assistance targeted directly to households was supplied by international partners. For example, the Lesotho Red Cross Society provided food and then cash support to 1,800 households (9,000 people) in three districts, starting in February 2016 (IFRC, 2017).

In some cases agencies introduced their own independent programmes, but attempted to '**piggyback**' on existing administrative systems, especially the NISSA database. Others have implemented the temporary **vertical expansion** of social protection programmes. Starting in June 2016 UNICEF with financing from CERF topped up the benefits of CGP recipients with M500 (\$37). This was provided to 23,000 households, or about 115,000 people, for two quarterly payments (in 33 community councils). DFID subsequently supported UNICEF with funding to

extend the payment to CGP households in the three community councils being targeted by the 'new NISSA' database.

Table 3 Response timeline September 2015–December 2016

Date	Activity ¹	Main interventions to support households with cash or in-kind benefits
2015		
Sep	<ul style="list-style-type: none"> DMA convened meeting resulting in mitigation and preparedness plan (scenario planning exercise) 	
Dec	<ul style="list-style-type: none"> Government declares drought (22 Dec) National Disaster Response Task Force formed. 	
2016		
Jan	<ul style="list-style-type: none"> National drought response plan released (modification of mitigation and preparedness plan). Estimated that government expenditure required = M584 million (\$43 million) LVAC rapid assessment Government allocates M155 million (\$11 million) to El Niño response International Federation of the Red Cross launches emergency appeal, aiming to support 4,500 people 	
Feb		<ul style="list-style-type: none"> Lesotho Red Cross Society: Start of transfer to c.1,800 households (c.9,000 people) in Mafeteng, Thaba-Tseka and Qacha's Nek. Two months of food distribution, then four cash transfers of M500 (\$37) per household.
Mar	<ul style="list-style-type: none"> CERF and ECHO allocate \$7 million to El Niño response (CERF = \$5m, ECHO = \$2m). Recipients of CERF & ECHO funding = UNICEF (\$2m), WFP (\$2m), FAO (\$2.5m) 	<ul style="list-style-type: none"> WFP: Start of six-month cash transfer of M1,000 (\$73) per month to c.4,000 households (c.20,000 people), split equally between Mafeteng and Mohale's Hoek
May	<ul style="list-style-type: none"> LVAC market assessment / modality report LVAC vulnerability assessment report 	
Jun	<ul style="list-style-type: none"> Government allocates M162 million (\$12 million) to food subsidy, to reduce cost of maize meal, sugar beans and split peas by 30% 	<ul style="list-style-type: none"> Government launch of food subsidy CGP top-up 1 (UNICEF): M500 (\$37) to c.23,000 households (c.115,000 people) FAO piggybacks on CGP system by distributing seeds to CGP households on same day as transfer
Jul	<ul style="list-style-type: none"> SADC declares regional drought emergency Launch of RIASCO drought response plan for southern Africa. Highlights Lesotho's international funding needs that were revised to \$55 million, including \$43 million for agriculture and food security. World Bank launches Social Assistance Project 	<ul style="list-style-type: none"> Catholic Relief Services (CRS) launches USAID-funded 'DINER' project promoting access to seeds and vouchers for 8,000 households (c.40,000 people) in Mafeteng and Mohale's Hoek². Implemented through Caritas, World Vision.

Date	Activity ¹	Main interventions to support households with cash or in-kind benefits
Sep	<ul style="list-style-type: none"> DMA issues guidelines on value of cash and food assistance, based on survival deficit and livelihood deficit. DMA, with WFP, issues guidelines on targeting of beneficiaries 	<ul style="list-style-type: none"> CGP top-up 2 (UNICEF): M500 (\$37) to c.23,000 households (c.115,000 people) FAO piggybacks on CGP system by distributing seeds to CGP households on same day as transfer
Oct		<ul style="list-style-type: none"> World Vision launches USAID-funded 'Emergency Food Security' project in 5 districts (in-kind transfer for pregnant women and children under 5) WFP launches relief operation in five districts (in kind and cash transfers)
Nov	<ul style="list-style-type: none"> World Bank offers \$20m additional credit as 'crisis response', to be added to its existing Social Assistance Project 	
Dec	<ul style="list-style-type: none"> Revision of RIASCO regional drought response plan for southern Africa 	<ul style="list-style-type: none"> CGP top-up 3: World Bank commits to top-up for all CGP 27,000 households to cover the final quarter of 2016, to be paid retrospectively in 2017 once approved CGP top-up (DFID via UNICEF): M500 to 3,600 households in the three community councils registered under the 'new NISSA' targeting method, one each in Mokhotlong, Thaba-Teska and Quthing districts WFP extends relief to two more districts

Sources: Authors, based on key informant interviews plus DMA (2016), IFRC (2017), Office of the Resident Coordinator (2016), RIASCO (2016a, 2016b), World Bank (2016b). Note: (1) We focus here on activities relating to promoting food security. Activities taking place in other sectors, eg. health, water and sanitation, child protection etc. not shown. (2) 'DINER' = Diversification for Nutrition and Enhanced Resilience to El Niño drought emergency'.

As the year progressed, assistance continued to be provided by donors, implementing agencies and NGOs (including the World Bank, which took over the funding of CGP top-ups and amended its long-term social assistance project to fund an extra \$20 million in response to the crisis)¹¹. Lesotho's set out its requirement for \$55 million of international humanitarian assistance—including \$43 million for agriculture and food security—in a regionwide action plan for responding to El Niño in mid-2016, and quickly received funding (RIASCO, 2016a) (Box 2). A new LVAC assessment in November 2016 estimated that, with this support from the government and donors, the number of households still facing a survival deficit at that date was some 90% lower than it had been six months earlier (Office of the Resident Coordinator, 2017) (Table 4). By March 2017 an estimated 462,000 people had been reached with cash or in-kind assistance to address food insecurity (Office of the Resident Coordinator, 2017).

Table 4 Estimate of people in need, May 2016 and November 2016 (thousands)

Indicator	May 2016	Nov 2016
Estimate of people in need	709	562
Estimate of people in need (taking humanitarian assistance into account)	679	160
People facing survival deficit	477	47

Source: Office of the Resident Coordinator (2017).

¹¹ See Box 1 above for more on the World Bank project.

Box 2 Financing of the El Niño response

The government's drought response plan of January 2016 sought M584 million (about \$43 million) to address needs across all sectors (DMA, 2016). The government pledged M155 million (about \$10 million) of this—earmarked mostly for water and sanitation (85%), with the remainder for health, nutrition, agriculture and food security—and sought the remaining \$33 million in an international appeal.

Government spending

The government has faced difficulties disbursing the M155 million: by mid-July only M2 million had been paid out, and as of March 2017 expenditure under this commitment was still reported to be low (DMA, 2016; Office of the Resident Coordinator, 2017). Despite the existence of an account in the DMA through which emergency funds were intended to be channelled, the funds were originally assigned to line ministries. Towards the end of the financial year (March 2016), when it was clear that most of these funds were not utilised, they were reallocated to the DMA fund, in order for them not to be returned to the treasury (DMA, 2016).

The government's subsidy on some brands of maize meal, split peas and beans, initiated in June 2016, was separate to the M155 million commitment. For the subsidy it pledged M163 million (\$11 million). This had not been budgeted for, and it struggled to locate sufficient funds and pay suppliers for expenditures already committed. At the time of the research in October 2016 the ministry managing the subsidy had been awarded M34 million but already had M58 million in claims from suppliers (section 4.3).

International spending

Meanwhile, international partners focused their financial assistance on the agriculture and food security sector. An early round of funding, in March 2016, made \$7 million available—\$5 million from the UN Central Emergency Relief Fund and \$2 million from ECHO. These sums were largely channelled to the interventions implemented by WFP, UNICEF and the FAO, including the top-ups to CGP beneficiaries and some emergency support to non-CGP households.

The UN Humanitarian Country Team revised its assessment of international funding requirements to \$55 million, including \$43 million for agriculture and food security. The request was included in a Southern Africa regional action plan for responding to El Niño, issued by RIASCO under the UN Office for the Coordination of Humanitarian Affairs (OCHA) in July 2016 as a component of the response to SADC's declaration of a regional drought emergency (RIASCO, 2016a). Lesotho was cited as one of seven priority countries. This successfully triggered a second round of funding, including from bilateral donors (eg. DFID, USAID, Switzerland and Sweden) and multilateral agencies such as ECHO: by the end of August some \$29 million of funding had already been committed, rising to \$37 million by December (RIASCO, 2016b, 2016c). Disbursement of these funds began almost immediately.

In October 2016 the government requested an additional \$20 million from the World Bank. Their original request was for funding for the food subsidy, but it was agreed to use it for other related interventions. The money was issued under the Bank's 'Crisis Response Window' and appended to the Social Assistance Programme that had recently started (World Bank, 2016b). The funds extend the CGP top-ups for a further three quarterly payments and are also aimed at speeding up improvements to the administrative efficiency of the main social assistance programmes, including the OAP and NISSA.

4.2 The role of social protection in responding to El Niño

The analysis above reveals four ways in which social protection interventions, or elements of a broader social protection system, have been used—or attempted to be used—to respond to and mitigate the effects of El Niño in Lesotho:

1. **Vertical expansion** of the CGP (quarterly cash top-up to existing beneficiaries).
2. **Piggybacking on the CGP beneficiary list**, delivering a separately managed intervention (FAO SPRINGS distribution of seeds and support for home gardening; CRS DINER vouchers).
3. **Piggybacking on the NISSA database**, including its data on poor non-CGP households, to deliver a separate emergency intervention (WFP explored this; though see section 5 for a discussion of the challenges).

4. **Introduction of a new social protection instrument**, the food subsidy. This is not strictly a social protection response as defined in our research, since it is intended as a short-term emergency intervention, but its end date was not fixed at the time of writing.

We also find that other key government-funded social protection programmes were *not* actively adapted in response to El Niño during 2016, even though they routinely distribute cash and food transfers to large numbers of the population: these include the School Feeding Programme, the OAP and the national public works programme. So how did Lesotho end up with the set of interventions that it did?

A major factor was the different perspectives as to what constitutes social assistance between the government and its international partners. Government representatives do not necessarily see their home-grown programmes as social protection, and certainly not as linked to one another or part of a system: social protection is perceived to be something that is led by donors and that does not interfere with the government's own long established, national programmes such as the old age pension or free school meals. Within this context the government did not actively consider using its social assistance programmes to help communities and households affected by the drought. Moreover, the enshrinement of the pension in law was perceived by one respondent to impede its use in a crisis, as the law did not envisage flexibility in response to climate shocks¹². The food subsidy was an instrument that had been used before to address food insecurity, in 2007–08, so it seemed reasonable to the government to introduce it again.

Meanwhile, the international partners turned primarily to the CGP and its associated information system, the NISSA database, when considering options for using social protection as a response to El Niño, in part because they did not believe other programmes to be sufficiently robust or pro-poor but also because they are less engaged in supporting the other programmes. The OAP, a prime candidate for consideration, was discounted for three reasons. First, it was perceived to have an out-of-date beneficiary list, with many named recipients thought to have died but not yet been removed. Second, it is not poverty-targeted, so was not attractive to organisations that wished to target their interventions at households classified as being among the poorest. Third, pension payments are made and managed manually, coordinated from Maseru and distributed in envelopes, which limits the ease of reconciliation between that process and that of other emergency responses (though the CGP faced a similar constraint in most of its community councils).

Donors also had prior experience of using the CGP in response to the previous food insecurity crisis, in 2012/13, and had continued to develop linkages between the cash transfer and complementary resilience-building activities since that time:

- In late 2012, following the Government of Lesotho's appeal for international assistance, UNICEF had delivered a one-year project, Livelihood Intervention during Food Emergency. It entered areas that were not already covered by the NISSA database and registered over 16,000 households onto the system, then **horizontally expanded the CGP** to some 6,800 extra households on a temporary basis (Niang and Ramirez, 2014). It subsequently incorporated 3,500 of these households as regular CGP beneficiaries.
- The FAO began piloting complementary measures for CGP beneficiaries in two community councils in July 2013, giving six months of support to 800 households under its, 'Linking Food Security to Social Protection' programme (Dewbre *et al.*, 2015). It delivered an intervention entirely separate in its objectives and delivery to the CGP—issuing vegetable seeds and

¹² This contrasts with the Philippines, where the national cash transfer programme was not established in law; there, the lack of a legal basis was perceived by our research team as an impediment to institutionalising a crisis response around it, since there was a risk that it might be withdrawn at any time (see Smith *et al.*, 2017).

providing training in home gardening and nutrition—but **piggybacking on the CGP's beneficiary list** with the aim of testing whether the two programmes in combination might have stronger impacts on food security than if they were implemented separately. This is considered to be a 'cash plus' approach.

We found little institutional memory of these recent uses of the CGP as a crisis response among our government respondents, and little evidence that the previous experience therefore informed their approach. The use of the CGP in the 2016 response, then, was advocated mainly by international partners that have supported it over time. The FAO had already launched its SPRINGS package of top-up support to CGP beneficiaries in 2015 on the basis of a positive evaluation of its pilot, so it was setting up its complementary measures to the CGP as part of 'preparedness' to build resilience, not waiting till after the drought was declared. It delivered its own support to CGP beneficiaries at the same time that the CGP itself was making manual payments, setting up a desk nearby to distribute its in-kind assistance. UNICEF and the European Union together advocated the channelling of resources raised through the CERF, ECHO and DFID as a vertical expansion (top-up) of the CGP transfer in the second half of 2016. There was some reluctance by some other humanitarian donors and UN agencies to use the CGP as the primary vehicle for delivery of humanitarian support owing to the limits of its national coverage, among other observations (Table 5 compares the reach of the CGP with the number of people estimated to be in the greatest food insecurity; see also section 5 for full analysis of the contribution of the CGP).

Table 5 No. of people estimated to be facing survival deficit, May 2016, compared with CGP coverage, by district

District	No. of CGP households	Estimated no. of people in CGP households (000s) ¹	Estimated no. of people in survival deficit (000s)	People in CGP households as % of those with survival deficit ²
Berea	3,905	20	35	56
Butha-Buthe	2,439	12	34	36
Leribe	2,937	15	87	17
Mafeteng	3,747	19	57	33
Maseru	4,877	24	96	25
Mohale's Hoek	1,236	6	56	11
Mokhotlong	2,872	14	15	96
Qacha's Nek	1,520	8	41	19
Quthing	1,381	7	18	38
Thaba-Tseka	1,721	9	38	23
Total	26,635	133	477	28

Source: People in survival deficit: LVAC, 2016. CGP data: MoSD, pers. comm. Note: (1) People in CGP households estimated by authors assuming 5 members per household. (2) This estimate is purely to compare the number of people in CGP households against those most in need of assistance: data are unavailable as to what share of the CGP households were among those in survival deficit, so these figures represent the maximum proportion of needy households that might have been reached through the CGP.

Discussions between the government and international partners about the use of the CGP for emergency response included a debate as to the relative merits of horizontal versus vertical expansion (extension to new recipients, or top-ups for existing recipients). A view among some senior government representatives at a coordination meeting was that, since CGP households already benefited from support, they should not be prioritised as it would be perceived that the agencies were, 'looking at [their] own clientèle'. Custodians of the CGP from the donor community

argued that CGP recipients were known to be poor and vulnerable; that a mechanism for paying them already existed; and that horizontal expansion to new recipients would be time-consuming. A justification was prepared, and vertical expansion of the CGP was selected as the response option.

4.3 The responsiveness of the social protection interventions to El Niño

The government's introduction of a **subsidy** on some brands of basic food items in June 2016, as its main visible response to the drought, is reported to have been partially effective in stabilising prices and enabling some households (especially in urban areas) to obtain part of their food requirements more easily. While conventional economic theory might favour an approach targeted more closely at those affected by the crisis, a blanket subsidy is both politically appealing and operationally convenient. This notwithstanding, some adaptations to the programme could further enhance its ability to address the needs of those most vulnerable to the consequences of drought, if this instrument is to be used in future responses (Box 3).

Box 3 The food subsidy: some design and implementation considerations

With the government having introduced a temporary food subsidy on a previous occasion to counteract a potential drought, in 2007–08, it proposed the same again as a response to El Niño since it noted that the most important challenge was how households would eat.

Two major design considerations are which food products should be subsidised, and by how much. The Ministry of Small Business Development, Cooperatives and Marketing worked with the deputy prime minister, the DMA and ministries of finance, planning and agriculture to agree on its design. There was political traction for an across-the-board subsidy, not targeted at individual households. Subsidies of between 10% and 60% on the cost of maize were explored; the highest values were discounted on the grounds that prices would jump considerably once the subsidy ended. It was recommended to look back at how much maize had cost before it was affected by the drought. The budget ceiling (of up to M150 million) was also established, and the subsidy determined on the basis of affordability. The decision to subsidise two medium-quality brands of maize that are widely consumed in urban areas is one that might merit revisiting in a future intervention: we understand that analysis was not undertaken to assess whether the discount applied to these brands would bring them below the cost of the cheaper maize that poorer households would typically be buying if they could not produce their own. Indications are that the poor households accessed cheaper and lower grade non-subsidised products, with the middle class and better off households benefiting more directly from the programme.

The main operational challenge has been that demand for maize went up much faster than had been envisaged, resulting in much greater consumption of the branded goods. During the first quarter of its operation, the subsidy on maize purchased amounted to almost 50% of the budget for the year. Claims exceeded disbursement, and additional financing was sought, resulting in delays in disbursement of funds to the suppliers. In addition, prices in rural areas were found to have reduced much less than anticipated with retailers selling the subsidised maize at significantly higher prices than gazetted by the government. Limited communication with the private sector and the narrow range of millers and packers engaged by the government were other notable challenges.

Source: Key informant, government official and subsequent correspondence with development partners involved in assessment of the subsidy programme.

The subsidy was reported by some of our respondents to have had a knock-on positive impact on other social protection and emergency interventions that were delivering food assistance, since it reduces the cost of food. The International Federation of Red Cross and Red Crescent Societies (IFRC) notes that the government's 30% subsidy on maize went some way to offsetting the increase in prices owing to the shortage, which meant that the cash-based intervention of the Lesotho Red Cross Society enabled households to buy more food:

'There was some inflation due to the drought situation but the Government subsidized the cost of maize by 30% which helped the situation' (IFRC, 2017, p. 3).

It also helped to limit the rise in the cost of providing free school meals under the 'catering model' whereby individuals are contracted to buy the food (Box 4).

The **School Feeding Programme** itself, as we have seen, was not specifically designed to adapt to drought, but an important part of developing a set of shock-responsive social protection interventions is ensuring that routine programmes are not disrupted by a shock. El Niño has had some impact on the programme's delivery, and also is reported anecdotally to have had some impact on school attendance, which in turn affects the ability of the programme to provide social protection to children (Box 4).

Box 4 Impact of the drought on the School Feeding Programme

Food security crises in Lesotho have an effect both on the demand for school meals and on their supply. It was observed that it can be quite hard to sustain a food programme when the crisis is about food.

When times are hard, our respondent reported, children may drop out of school (eg. to herd animals, or because their household can no longer afford school uniform) or may come late if they walk further to fetch water. Some schools have occasionally been known to request children unofficially to bring their own water to school for washing and drinking if the school has run out, and this, too, can cause children to be late or absent. If the drop in attendance endures long enough to be captured in enrolment data it risks impacting on suppliers who rely on economies of scale to make the provision of meals viable. However, as suppliers are contracted based on enrolment, not attendance, this effect is likely to be small in the short term.

A more immediate impact of the El Niño drought has been on the supply of meals. Some suppliers under the government's 'catering model' withdrew because the price they were paid per child remained the same while the cost of the food increased. The food subsidy has had some benefit in making maize meal more affordable and stabilising the loss of caterers. Anecdotal reports from caterers contacting the programme to report challenges have highlighted instances where the composition of the meals was changed to rely more on food items that needed less water and had a longer shelf life, or where children were fed late as longer distances had to be travelled to find water. Not all schools are experiencing these difficulties.

School meals are said to have social protection benefits beyond those to the children who are fed. Caterers are meant to start buying from local farmers, and the catering service provides jobs to local families, so the economic benefits are said to extend into the community.

Source: Key informant, government official.

As for the use of the CGP by international partners, we found a general cautious agreement that, on balance, it might be better to make use of the cash transfer than not to use it, provided that it is seen as part of a broader response. There are caveats around its limited geographical reach, the fact that it only covers households who have children and the fact that, not having on-demand registration, its recipients are those who were deemed the most vulnerable some years ago at the time of their enrolment. Among both government respondents and their counterparts, warmth for the temporary expansion of the CGP tended to vary according to the respondent's familiarity with, and sense of ownership of, the intervention. Those closer to the programme noted that while it was not perfect for responding to shocks, it was nonetheless worth using. Some who were less connected to the CGP recommended that the core programme could usefully be improved to better support households, before creating short-term post-hoc crisis response mechanisms:

'Are we not being ambitious in not building one's own house before trying to extend to the next house?' (Key informant, government official).

Our analysis in other countries for this research has highlighted four dimensions of a response to an emergency that implementing agencies are trying to improve by using social protection as a

complement to, or substitute for, traditional emergency response mechanisms (O'Brien *et al.*, forthcoming). These are:

- *comprehensiveness* of the response (meeting as much need as possible, either by reducing the size of the need, reaching more people in need or covering individuals' needs more fully);
- *timeliness* (including responding earlier, maybe even before the crisis has happened);
- *predictability* (both predictability of funding, and predictability for recipients); and
- the *minimisation of duplication* among agencies delivering and coordinating emergency response, as well as with those delivering social protection.

A crisis response embedded in routine social protection may also be intended to improve cost-efficiency and to be more sustainable in the long run, including through strengthened ownership by government agencies if the initiative begins in a non-government context.

From this perspective, we consider that a principal benefit of the CGP top-up in the response to El Niño has been its contribution to the first of these, the comprehensiveness of coverage, given that the CGP has access to over 100,000 people. Despite its weaknesses it reached a significant share of the population, some of whom might not otherwise have been reached, or not so soon.

In respect of timeliness and predictability, the fact that the mechanism for the top-up was designed at the time of the crisis—not an integral part of the CGP—meant that it was slow to start and disburse, and had to hunt for funds. The CGP only started providing top-ups in June 2016, six months after the declaration of the drought emergency, and only for two quarterly payments initially through UNICEF using money from CERF and ECHO; arrangements were subsequently made with the World Bank and DFID to expand and prolong the intervention. For comparison, the Lesotho Red Cross Society had begun to pay households under its own initiative in February, while WFP had started in March and were giving monthly rather than quarterly support. The scale of those responses was smaller, so there may be a trade-off between coverage and timeliness. The later start of the CGP top-up is also explained by the fact that it was necessary to wait for the next quarterly payment date. This demonstrates that it should not automatically be assumed that the use of a social protection system for emergency response will give a quicker response time¹³.

The question of whether the CGP-based approach has helped reduce duplication among agencies is of particular interest for two reasons. First, numerous organisations have been delivering cash support to households. The fact that CGP households have been assisted through their routine benefit has not eliminated the need for all other needy households to be assisted through alternative mechanisms. Moreover, it has raised questions about the difference between providing households with a small social protection top-up to maintain their usual consumption level in the face of the drought, and providing households with larger emergency transfers to meet their full needs in line with SPHERE humanitarian standards, as preferred by some other agencies delivering humanitarian relief. These questions are explored in section 5.

Second, when numerous agencies individually look to associate their emergency response with the CGP, the emergency responses themselves may become duplicates of one another: CGP households may receive their routine benefit *plus* extra cash *plus* seeds *plus* nutrition supplements *plus* training, while non-CGP households may receive much less or nothing. The body coordinating the emergency response will need to maintain a firm grip on the proposals of all implementing agencies, and to have a holistic view of the best options for meeting needs across all sectors—

¹³ Moreover, a quarterly payment date can affect the outcome of the support: qualitative evidence from an evaluation of the regular CGP—unrelated to the El Niño event— indicated that dietary diversity was generally not sustained throughout the three-month period (Pellerano *et al.*, 2016).

including the ability to steer partners away from attachment to 'their' projects if appropriate—to address the needs of the whole population in a balanced way.

In the next section we review the design features of the CGP that affect its relevance in an emergency—where it operates, who gets support, and how much they receive—and examine how these shaped the response to El Niño in 2016, as well as prospects for the future. This includes the NISSA which underpins its targeting approach. We compare these with the alternative, the use of LVAC assessments and conventional emergency responses unconnected with social protection. In section 6 we consider the implications of the available financial and human resource capacity, and in section 7 we analyse the coordination of the response.

5 The contribution of the CGP and NISSA to the identification of need

Key points

- The annual LVAC assessment estimates the *total number* of people facing food insecurity (among many other indicators). This job cannot be replaced by data from social protection interventions or operating systems because those are not crisis-specific.
- The matter of *which precise households* receive assistance has hitherto been determined by the DMA's national targeting exercise plus similar independent exercises by its partners; the issue is whether the NISSA database, and the CGP beneficiary list specifically, can be of use here.
- The DMA approach has the advantage of being managed at district level but was slow (unfinished as of October 2016) and faces resource constraints for data collection and entry.
- For NISSA to be of use it must be comprehensive (it was missing from 28 community councils during El Niño), accurate (data were up to six years old and found to be outdated) and accessible (the database sits only in Maseru, so district teams tasked with disaster management cannot see it). The CGP list is a subset of 23% of the NISSA list. These gaps in coverage and quality justify the use of complementary methods for identifying households for assistance.
- The CGP list was used in the response but the larger list of non-CGP beneficiaries on NISSA was not. There was no guidance as to how to use the information on other households.
- Hope is expressed by respondents that the 'new NISSA' will be an improvement provided it is kept up to date. The 'new NISSA' only collects information on 50% of households, and survey implementation errors mean several thousand households are already omitted, so additional targeting will always be needed.
- The determination of transfer values has been a contested element of the El Niño response.

A central objective of any intervention that aims to support households during a large-scale crisis is to make sure that the people most in need receive the right amount of assistance, however these are both defined. Authorities responsible for emergency response have processes for determining where to go, whom to support and how much to give; the question here is whether the social protection sector can make an effective contribution to these processes from its own experience with supporting chronically poor or vulnerable households. The sector may be relevant both at the level of specific interventions—such as the CGP—or in terms of the wider delivery systems that have been put in place to support a number of interventions (most notably the NISSA database).

In Lesotho, as we have seen, DRM falls under the remit of the DMA. The DMA leads annual LVAC assessments to identify the areas most in need of assistance, then administers a short survey in those areas to identify priority households. The level of support required varies according to the crisis and the support already available. Meanwhile, each social protection intervention has its own criteria for identifying its routine beneficiaries and the level of assistance it will provide. Given the extensive debate among international partners as to the relevance and effectiveness of the CGP and the NISSA database in addressing these questions in relation to El Niño, we focus here on exploring how the features of that intervention and operational system enhanced or hindered their value for the present crisis.

5.1 Identifying *how many* households need assistance

LVAC assessments and the NISSA database are not intended to do the same job. LVAC assessments have been conducted annually since 2003 to gauge the vulnerability of the rural population to food insecurity at that moment in time. The NISSA database is fairly static, exists in only about half of community councils and is being compiled with the intention of listing the households in Lesotho who are the most chronically poor. The initial assessment of the overall scale of need due to El Niño is therefore not one that can be obtained from the NISSA database or

from the information held for the CGP or any other specific social protection intervention, since those have limited coverage and household information that is out of date, and do not capture the impacts of shocks. The LVAC assessments—and the reports that accompany it in an emergency (the rapid vulnerability assessment, a market assessment and a modality assessment that determined whether food assistance should be in cash or in kind in 2016)—have considerable traction in guiding estimates of the impact of a crisis on households, providing the main estimates of the food insecure population and their food deficit that are used as the basis for determining the level of support required. The assessments also generate information on many other issues relating to the impact of any shocks and the nature of households' needs, ranging from water availability and crop and livestock production, to households' food consumption, dietary diversity and coping strategies (see Box 5 for method). In Lesotho the estimate of the food insecure population is disaggregated to the district level, and is expressed as the percentage of the population in each district that is in need of immediate support or at risk of food insecurity. This process in Lesotho matches the standard method commonly used across southern Africa, and very similar to those used elsewhere, such as the Cadre Harmonisé process in west Africa.

Box 5 LVAC assessment: Calculating overall food security needs

An effective humanitarian response requires a good understanding of the impact of a disaster and the resultant needs of households. The standardised method in southern Africa for assessing food insecurity uses the Household Economy Approach (HEA), a livelihoods-based analytical framework, to measure food security. The HEA is centred on understanding how people in different circumstances (categories of well-being) obtain the food and the cash they need and the options (livelihoods, social networks, etc.) available to them in times of shock.

This assessment is normally based on interviews and group discussions in selected villages with community representatives and at the district level in the different livelihood zones across the country. The analysis categorises the population into four well-being groups—very poor, poor, middle and better off—and assesses each group's food security status based on a combination of indicators, including a food consumption score, details of livelihoods coping strategies and an analysis of the proportion of households' total expenditure allocated to food. In 2016, because of El Niño, the LVAC team complemented this with a household survey that had a strong focus on measuring nutrition status, especially of young children. The data collected are combined with other data that normally includes information on prices, population projections and estimates of crop production. These different sources are then used to estimate the food insecure population based on established models. The assessment also calculates the number of people said to be in survival deficit—requiring immediate assistance—or livelihoods deficit by district.

Source: LVAC (2016)

The standardised assessment has advantages in that it enables comparisons against long-term averages and across countries. The challenge is its timeliness in relation to any given crisis. First and foremost, its purpose is to estimate the number of people who are on the verge of crisis (or, indeed, already suffering extreme food insecurity) each year, so the information is not early enough to contribute to measures for preventing food insecurity or for building resilience. Second, the date of release of the annual report, which has varied in recent years, may be unrelated to the timing of any given shock. The declaration of drought in December 2015, and the estimate of needs at that time, was based on a scenario-planning exercise that had been carried out a few months earlier, drawing on the already known failed planting season; some respondents observed that it was also miscalculated. The lack of assessments exacerbated the challenge of coordinating the response. A rapid assessment was carried out in January 2016, informing the initial household-level response until the full LVAC assessment was released in May.

5.2 Identifying *which* households need assistance: LVAC, NISSA and the CGP

This first-stage assessment determines the number of people likely to be in need of support by district, but without reference to any individuals in particular. The next stage is to identify those most in need of support within the community councils and villages. This is the stage at which the agencies running the NISSA database feel that their system may have something to offer, because the NISSA is a ready-made database of information on the well-being of tens of thousands of households. Data collection for NISSA differs considerably from the DMA's vulnerability assessments in several core respects (Table 6)¹⁴.

Table 6 Comparison of DMA vulnerability assessments with NISSA

Dimension	DMA vulnerability assessment	NISSA assessment ¹
Who	Collects data on shock-affected households	Collects data on households considered to be the most chronically poor
When	Data collected after crisis declared	Data collected as one-off exercise (2010–13 in some areas and 2016–18 in others, depending on community council)
Where	Covers all villages in a district	Covers all villages in 36 community councils (remainder by 2018)
How	Community ranking, then questionnaire to households below LVAC threshold	[Old] Census with PMT > separate community ranking > cross-check. [New] Listing > community ranking > PMT on poorest groups
By whom	District Disaster Management Team	[Old] World Vision. [New] private firm

Source: Authors, from key informant interviews. (1) 33 community councils used the 'old NISSA' method. Three had used the 'new NISSA' at the time of El Niño.

We ask here: how does the DMA identify vulnerable households in a crisis, and what are the benefits and challenges of their approach? What are the features of the NISSA database—and, more narrowly, the list of CGP beneficiaries—that make it suitable or unsuitable as a complement to, or substitute for, the current approach? We look at the use of the NISSA and the CGP programme to identify households in the response to El Niño and consider future prospects.

5.2.1 The DMA approach

The DMA is mandated to lead a targeting exercise nationally to identify households in need of support at times of crisis, so that each international or national organisation providing emergency assistance does not need to repeat the exercise. The DMA does not have responsibility for delivering any particular assistance itself to the identified households. The exercise is organised at the district level by teams who draw up a schedule of villages to visit. It uses a community-based approach whereby communities compile a list of households in their village at a public meeting, then rank them in well-being groups. The team applies a cut-off to the list, based on the percentage of households estimated by the LVAC to be in need of support, and administers a survey to those below the cut-off. This survey captures information on the household's vulnerabilities, level of food consumption (largely concentrated on the previous day), sources of income, ownership of productive assets and livestock and their access to other food assistance initiatives. The District Disaster Management Team verifies a proportion of these questionnaires in

¹⁴ Given the absence of a national ID or common household identifier it is not possible to compare the NISSA and DMA lists to determine whether this is much overlap.

people's houses to reduce the risk of misinformation. The expectation is that this information is then entered onto a database locally and made accessible to those offering assistance.

In principle the approach has several features in its favour. It is localised, prioritising community perspectives, and is organised by the District Disaster Management Teams who are comprised of people representing the DMA, MoSD and many international and national agencies. Data are held at the district level, so once they are released they should be accessible.

In practice, resource constraints heavily impede its effectiveness in an emergency. The exercise is launched after an emergency is declared, but the District Disaster Management Teams do not have the staff, transport or other material resources to administer it; they have to rely on international development partners. In the district we visited in October 2016, 10 months after the declaration of the drought, the targeting process was not finished and data entry was ongoing. Data are collected on paper and entered onto a computer at a later date with the assistance of NGOs. The DMA does not have its own database to store the information, so the results sit on the computer of the NGO that funded the data entry. Data are not retained from one emergency to the next.

The process has proven rather frustrating for some NGOs who tried to use it for their response to El Niño. A respondent from one NGO noted that it used more of their resources than would have been the case if they had run their own exercise, as they had to fund transport and per diems for numerous community meetings, while another NGO had to fund the data entry. By the time the database was being compiled some agencies had already proceeded with their own targeting, so the results of those other exercises then had to be integrated. Through this experience our respondent had lost faith in the DMA exercise and expressed reluctance to use it again.

5.2.2 Features of the NISSA database that affect its relevance

We noted in section 3.1.3 above that, at the time of the El Niño drought in 2016, the NISSA database contained information on households in 36 out of Lesotho's 64 community councils: 33 surveyed under the 'old NISSA' system, and three under 'new NISSA'. The 'old NISSA' database contains information on around 100,000 households—the 23,000 CGP beneficiary households, but also recipients of Public Assistance and the OVC bursary, as well as some who receive no support. The 'new NISSA' database contains information on additional households in the three community councils where revised procedures are being applied, giving a total of around 107,500 households on the combined database as of July 2016¹⁵.

For the NISSA to be an appropriate database for emergency response it needs to be comprehensive, relevant, accurate and accessible to those handling the crisis. We assess NISSA's suitability against these criteria¹⁶.

Comprehensiveness

The comprehensiveness of the NISSA database is a function of two aspects: its geographical completeness and the number of households included.

1. **Geographically**, the NISSA existed in all 10 districts of the country as of mid-2016, but in only 36 of the 64 community councils within them. Thus, some 28 community councils were

¹⁵ Spreadsheet on the number of CGP beneficiary households and NISSA-registered households supplied by the MoSD.

¹⁶ The World Bank's \$20 million of Crisis Response Window funding, approved in late 2016, is being used to speed up changes to the NISSA database at the time of writing. We focus here on the state of advancement of the NISSA in 2016 at the time of El Niño.

completely uncovered. Those community councils on the database were all those that had been selected to have CGP recipients. Some of these had been picked randomly by district through a lottery process in order to reduce potential conflict and garner support from local politicians and traditional authorities, in the absence of sufficient resources to introduce the CGP to the entire country at once. We see, then, that the selected community councils are not necessarily those that are the most vulnerable within the district: any emergency intervention that piggybacked on the NISSA list would be basing itself on areas selected partly by lottery.

2. As for **the number of households** covered, the 'old NISSA' model carried out a census-style survey, then identified a subset of households to be CGP beneficiaries. A review of the model in 2014 suggested that actual coverage was around 70% of households in the community councils covered by the programme, rather than 100%; but this suggests that information on at least a majority of households might still be available (Carraro and Marzi, 2014). As three out of every 10 households within each community council are thought, on average, to have been left out of the old NISSA, additional data collection is already warranted to ensure that these households are not systematically left out of future programmes.

The shortfall in the comprehensive coverage of households is compounded by the fact that most of the NISSA data were collected in a single exercise starting in 2010. Since then households have moved away (especially given the high rates of migration in Lesotho), new ones have been formed and thousands of individuals have been born or died. This erosion of data quality over time goes beyond the targeting design and implementation errors that are inherent in the programme and which are common with programmes with similar features.

While the 'old NISSA' could in principle provide a reasonably comprehensive list of people in the community, the 'new NISSA' is unable to do so. The new survey is only administered to households that the community identifies as poor. This means that the new database will provide comprehensive socioeconomic data on only about half of households. The main shortcoming of such a database is that it is likely not to capture households that become vulnerable or poor as a result of a shock, especially if much time has passed between data collection and the shock itself. This is not a failure of the 'new NISSA': it is simply that the database has been redesigned for the purpose of improving its effectiveness and efficiency for other CGP programming and its acceptability to communities (by starting with the community selection of poor households, rather than with a computerised poverty test); this redesign was not intended for use of the database in a crisis to identify previously non-poor households.

Relevance

A database is relevant if it contains the variables needed for its intended purpose. Regarding the type of information collected, the NISSA is closely related to the DMA's questionnaire, though not an exact substitute. Both are aimed at identifying households that are vulnerable or food insecure. One respondent noted that the absence of information on dietary diversity in the NISSA means it misses a facet of well-being that emergency response aims to target, and which might therefore be hard to measure. On the whole, NISSA is likely to be fairly well correlated with chronic poverty since it has been designed and tested to do so. The NISSA has sufficient information to determine eligibility for the CGP, so has the potential to be used also by other social assistance programmes.

Accuracy

The accuracy of the NISSA relates to the degree to which it reflects the well-being status of the listed households at the moment the data are required. This is in large part not only a function of how accurate it was at the time it was collected, but also, as we have seen, how long ago the information was collected (known as 'data currency') and how it is updated. As our respondents observed, concerns about the accuracy of the NISSA data are one of the main causes for agencies' hesitation to use it. With much of the information collected five or six years before the EI

Niño drought, there was a fear that its use as a basis for identifying which households to support would lead to high errors of inclusion and exclusion. It was not evident that using the NISSA database would be more effective than a rapid community-based targeting in identifying those in need of support.

Accessibility

Finally, accessibility relates to the ability of agencies implementing the emergency response to view, extract and update information in the NISSA, and in a timely fashion. This requires protocols for accessing and utilising the database by different entities and its availability at the subnational level. Our respondents noted that the 'old NISSA' database is held on a server in Latin America by the software developer; access within Lesotho is confined to the capital, Maseru, among a limited number of staff in the MoSD. There is no possibility to even view the data at district level, and certainly not to make any changes to the status of the registered households. This is problematic for its use in a crisis because emergency response is led by the District Disaster Management Teams, who cannot see the NISSA (see section 3.2 above):

'Normally they [the MoSD] say, "Use NISSA", but I haven't seen it with my eyes. I don't know what it is. [...] We have tried by all means to get hold of the NISSA. We are all supposed to get hold of the NISSA. It's a national thing, we've invested a lot of resources in it'. (Key informant on a District Disaster Management Team).

For other stakeholders to access the beneficiary database they make a request to the MoSD, with permissions sanctioned by the principal secretary. These requests are dealt with on an ad-hoc basis with no formal protocol for assessing whether or not to grant permission.

5.2.3 Features of the CGP beneficiary list that affect its usefulness in a crisis

CGP beneficiary households are a subset of those on the NISSA (23% of NISSA-registered households as of mid-2016). An emergency intervention that piggybacks on the CGP beneficiary list is therefore subject to all the constraints of the broader database plus any due to the design of the CGP. A primary constraint is, of course, that by definition the CGP reaches only households with children (though households whose children reach the age of 18 are not routinely removed from the programme, and there is no protocol for adding new households, either automatically or from a waiting list). They are also only households that have been identified as being poor or very poor through proxy measures of poverty, confirmed by the community. The gaps in coverage will need to be taken into account by any intervention that provides top-ups or complementary measures to CGP recipients, since a large number of vulnerable households are omitted.

5.2.4 The use of the NISSA and the CGP in the response to El Niño

The MoSD reported that two UN agencies and some international NGOs had requested access to NISSA data for their response to El Niño. It was used for the top-ups to CGP beneficiaries and the complementary 'cash plus' measures provided to the same households. One agency did not manage to use the wider NISSA data, because about two-thirds of the households on the NISSA were no longer present when they checked its validity in an area in which they planned to operate.

The ministry did not actively guide agencies as to what to do with the information they received, such as whether to purposely select, or purposely avoid, households receiving other assistance. Equally, there was no routine way by which those agencies fed back to the MoSD what they did with the data and what benefit was provided, which limited the possibility for oversight and coordination. This meant that there was no mechanism for ensuring that every agency did not

target, say, the same CGP beneficiaries. One considered trying to reach households in the 'NISSA 3' category, ie. those just above the poverty threshold for CGP beneficiaries, but ultimately did not do so. Some of our respondents suggested that if these households who were just above the CGP cut-off had been targeted for an emergency response, some exclusion of needy households might have been reduced (though this would not have resolved the challenges of the lottery of the geographical coverage, changes in household composition or households not on the database). It was difficult to use it for this purpose because,

'The NISSA is [...] not yet what it promises to be. It is *de facto* a list of CGP beneficiaries' (Key informant, donor).

The horizontal expansion of the CGP itself, to cover NISSA 3 households, was discounted on the grounds that it would have been too slow using the regular targeting method¹⁷: moreover, CGP beneficiaries had already passed identity checks and received payment booklets, which non-beneficiaries had not, and which therefore made it less convenient to reach the non-beneficiaries¹⁸.

We found some disappointment among proponents of the NISSA database that, for the 2016 response, the government continued to implement LVAC assessments to target its response even in community councils where the NISSA existed. Certainly, the NISSA and the CGP beneficiary list provided an opportunity for more rapidly reaching some households in affected communities. Nonetheless, this convenient approach has come at a cost of many households initially having been left out in community councils where only CGP beneficiaries were supported by the humanitarian response (partly addressed by subsequent interventions). The gaps in data coverage and quality justify the use of complementary methods for identifying households for assistance.

5.2.5 Prospects for using the NISSA and the CGP for the future identification of needy households during a crisis

The limitations of the NISSA in its 2016 form were well-known. Some are being addressed by the World Bank-funded Crisis Response Window funding which is aiming to speed up data collection in the missing community councils and make other improvements to the equity and efficiency of the system, focusing on the alignment and harmonisation of existing programmes and improvements in their design and implementation features. In the event of any shocks in the near future in community councils where information is newly collected, the 'new NISSA' will be able to provide some useful information before data are again rendered out of date: it can provide some measure of deprivation within villages and community councils that can help with assessing the magnitude of support required (Box 6 summarises initial experiences with its scope). This could be supplemented by lists of additional affected households through community-based initiatives, since it will continue to focus on the chronic poor rather than those in acute need.

Among our respondents some hope was expressed, even by those who have not hitherto used the NISSA, that the 'new NISSA' might be an improvement provided that data were kept sufficiently up to date. This last caveat is a significant concern given previous experience: at the time of the research it was not apparent how the question of updating the database might be resolved. The issue is by no means confined to Lesotho, but is common to many countries in which a registry of households' socioeconomic data is being compiled¹⁹. There has been some suggestion from

¹⁷ In addition to applying the PMT, for these households to be selected they must also go through a community based targeting process and only if they are ratified as being deserving would they be eligible.

¹⁸ The checks and administrative processes may be different from newly established humanitarian programmes: one may have less stringent requirements, e.g. about identity checks. This would depend on whether benefits are channelled through a formal bank or e-payment system that might require Know-Your-Customer checks, or done manually.

¹⁹ See eg. Barca and Chirchir (2014) and the Mali case study for the present research (O'Brien *et al.*, forthcoming).

agencies that collected their own data for the response to El Niño that these could be used to start populating the database with households in community councils not covered by NISSA. Others were hesitant to agree, expressing concerns about data validity and the fact that the government should be the coordinator and custodian. Again, this highlights the quandary that we find in other countries, too: agencies wish to reduce their own burden of data collection but at the same time are unsure whether they can rely on data produced by others.

While the present limitations remain, it cannot be assumed that maximum impact is achieved by using the NISSA to identify those affected by shocks: we would caution that improving administrative convenience does not automatically improve programme effectiveness (though, of course, there is not always a trade-off). If all programmes were to use this database as a means of providing emergency support, there would be a high risk that many vulnerable households would be systematically left out. Meanwhile, certain households might benefit from multiple interventions. A potential use of the database is to track information on the support that households on the database receive. To do so requires a feedback loop from those using the database back to NISSA, which currently does not happen. It is therefore not yet possible to interrogate the NISSA to identify—and therefore explicitly include or exclude—who has benefited from what type of support. Respondents expressed keenness for a well functioning NISSA to provide this information that could reduce duplication and eliminate gaps in service provision.

Box 6 The new NISSA and experience to date

Experience of registering households on the 'new NISSA' in the three pilot community councils gives an indication of the likely future comprehensiveness of the database:

- In those areas there were estimated to be about 17,000 households.
- During an initial listing phase a form was administered to as many households as possible, collecting basic information on household members including their names, sex and ages. Around 15,000 were captured, which means an estimated 2,000 were omitted from the entire process.
- This list of about 15,000 households was distributed among communities who ranked those in their area according to the criteria of very poor, poor etc. Half the households—about 7,500—were identified as being in NISSA 1 or NISSA 2 categories (the poorest).
- Enumerators returned to those 7,500 households to administer the proxy means test, the computerised assessment of poverty which compares household characteristics against the characteristics of those known to be poor in Lesotho. Much more detailed information was collected at this stage.
- After the application of the proxy means test about half of this group—about 3,500 households—were approved for inclusion in the CGP. This does not mean that the other 4,000 were ineligible: our respondent indicated that about 500 households were accidentally missed off the data collection round, while around 1,000 had gaps in their form which meant that the proxy means test could not be applied.

This experience suggests that while it is quite likely that CGP beneficiary households are among the neediest at the moment of data collection, having been both identified by the community and confirmed in the proxy means test, it is also likely that there are equally needy households who have not been included on account of challenges with survey implementation rather than any criteria relating to their well-being.

If these issues about the content and accessibility of NISSA data are resolved, two further considerations in using the data are, first, the capacity of staff to maintain the database and field enquiries (see also section 6 below); and second, how to deliver assistance to registered households who are not already recipients of social assistance. In relation to the first, the database is strongly associated with the MoSD, which, in 2016, did not have enough staff to accommodate any major expansion of its role and size and struggled to recruit additional qualified technical staff. Its home in the MoSD is not necessarily a problem (though some people have previously advocated for it to be housed in its own institution), and other agencies said this would not put

them off using it, but it was apparent that people in agencies that are further removed from it on a daily basis are less aware of its content and potential:

'I'm one of those people who says, "What is NISSA?"' (Key informant, NGO).

In relation to the second, it will be important to establish protocols by which one might reach non-CGP households on the database. The government and its partners might usefully resolve in advance the issue of household identification, perhaps by further promoting the acquisition of civil registration documents, which have low coverage, but especially among non-CGP households. They might also consider in advance how they will deliver assistance to the households. This will reduce the number of challenges that have to be dealt with at the moment of the crisis and will lessen the likelihood that CGP beneficiaries are selected for support simply out of convenience.

Using a subset of the NISSA database, namely the CGP beneficiary list, in future responses simplifies some of these administrative practicalities while imposing some new constraints. In particular, if an agency wishes to piggyback on the CGP's delivery mechanisms during the provision of emergency support, it will have to wait for the payment date which is only once every three months. If it wishes to disburse funds any sooner (for instance, some of the standalone emergency responses to El Niño were monthly) it will have to make its own arrangements for delivering the payment. There may therefore be a trade-off between the administrative efficiency of using an existing social protection system, and the effectiveness of a more timely response²⁰. In any event, the use of the CGP data—even if the NISSA is perfectly clean, up to date and with full coverage—assumes that having children and being in chronic poverty are prerequisites for being prioritised for emergency support. There is certainly some overlap between these households and those typically found to be food insecure in the LVAC assessment. Nonetheless there may be many emergency programmes that legitimately select other target groups, including eg. older people, people with disabilities, or households that have fallen into poverty as a result of the shock, for which piggybacking on the CGP list is not appropriate since it covers only households with children.

5.3 Determining the *level of support to households: the emergency and social protection approaches*

One of the more contested elements of efforts to link long-term social protection interventions more closely with the emergency responses to the El Niño-induced drought has been the determination of transfer values. For programme implementers, in Lesotho as in many countries studied in this research, the resolution of this complex issue is crucial if the humanitarian–development divide in assistance to households is to be overcome. It becomes ever more urgent as emergency support to households is increasingly monetised, making it easier for households, governments and other agencies alike to directly compare the value of cash given as short-term or long-term assistance. Should households suffering in a crisis receive an amount that might typically enable them to meet all their basic survival needs, a larger amount that also helps them to build their assets and strengthen resilience to future shocks, or a smaller contribution that might more closely match the transfers given to chronically poor households?

In Lesotho several different transfer values were initially used in the response to El Niño (Table 7). A *post-hoc* justification explained that the emergency cash responses—WFP's being the most

²⁰ This dilemma was experienced in the Philippines after Typhoon Haiyan where recipients of the routine cash transfer programme received a top-up separately from their usual payment, causing an additional administrative burden (Smith *et al.*, 2017).

visible—were set at a level that aimed to meet acute food needs resulting from the El Niño drought, while the CGP top-up was intended to sustain efforts to reduce 'structural vulnerabilities' (chronic poverty) in view of the decreased purchasing power caused by food price increases (HCT, 2016):

- WFP's emergency response of M1,000 (\$73) per household per month (plus M60 (\$4) for transport) during March to August 2016 was calculated to correspond to the minimum food requirement of 2,100 kcal per day for a family of five. Its planned revision to M503 (\$37) per household per month (plus M60 for transport) from September reflected the fact that after the introduction of the food subsidy, the estimated highest survival deficit in each district ranged from 12% to 38% of food requirements; the average of these deficits (29%) amounted to a shortfall of M3,521 (\$258) over the seven months of the lean season.
- The rationale for the M500 quarterly CGP top-up (equating to M166 (\$12) per household per month) is not explained by a calculation of need: it was driven by consideration of affordability to government. Nor is it evident why the top-up was a fixed amount regardless of household size, while the usual transfer varies according to the number of household members. This meant that the transfers of smaller households were more than doubled by the top-up, while larger households' transfers were increased by two-thirds. The amount also meant that, even with the top-up, CGP beneficiary households received substantially less per month than households receiving emergency assistance, although generally they are perceived to be among the poorest households.

Table 7 Transfer values in selected emergency and social protection interventions

Intervention	Objective	Key considerations in setting value	Value
Social protection			
CGP	Improve well-being of households with children	Informed by need, government affordability and political acceptability	M360 (\$26) -M750 (\$55) per household per quarter depending on household size
OAP	Improve well-being of older people		M580 (\$43) per person per month
Emergency response			
Food subsidy	Reduce cost of accessing food	Based on affordability, perceived sufficiency, ability to scale down after emergency. Considered subsidies of up to 60%	30% of wholesale price of maize meal
WFP ¹	Save lives (primarily); build resilience	Based on calculations of 'survival deficit' drawn from needs assessments (initially 85% of food needs of a 5-person household). Amount is per household, not adjusted for household size. Higher value necessary if intention is to build resilience and not just address survival deficit	March-Aug: M1,000 (\$73) per household per month, plus M60 (\$4) for transport. Sep onwards: Revised to M503 (\$37)+ M60 (\$4) for transport after introduction of food subsidy
Red Cross	Save lives	In principle in line with SPHERE standards, based on food needs	M525 (\$39) per household per month
CGP top-up	Continue to support efforts to reduce structural vulnerability, compensating for increased food prices in the drought	Affordability	M500 (\$37) per quarter, unrelated to household size (unlike the core CGP intervention)

Authors, based on key informant interviews and documentary sources including HCT (2016) and WFP (2016). Note: (1) World Vision, ActionAid and others subsequently matched the WFP value.

The rationale of having some interventions addressing acute food insecurity, and others sustaining efforts to reduce chronic poverty, met with some political resistance. WFP's choice to meet the full food requirements of a small number of households for six months was countered with suggestions from some policymakers that it might be possible to simply give a much smaller amount to a much larger number of households, an approach that might be closer to the rationale of long-term social protection interventions though less likely to enable recipients to cover their needs. As we saw in section 3.1, the social protection interventions themselves (eg. the CGP and OAP) were set at different values so in any case it was not possible to derive a transfer value that matched the regular value of both of these. Furthermore, neither of these approaches to estimating the transfer—the acute food insecurity and chronic poverty rationales—took into account the extra cost of enabling households to build up their assets to improve resilience to future shocks.

In the second half of 2016 the DMA issued guidelines in consultation with WFP and other humanitarian partners in the food security sector as to how the transfer value should be set, in order to introduce some harmonisation. The suggested transfer value was reduced on the grounds that the food subsidy was in place so, 'the government is already giving you 30% of your daily meal' (key informant, government).

The anxiety about these varying arrangements has been twofold. First, during the response itself, different households within a community sometimes received differing levels of support (eg. being in receipt of two different emergency interventions, or one emergency intervention and the CGP), which risked causing confusion and disappointment when households considered themselves to have the same standards of living. Second, in the long run, one key informant expressed concern that the different transfer levels would cause damage to public perception of interventions such as the CGP, as recipients might query the sufficiency of the value of their routine transfer. Some households have been given a large boost in income during the El Niño response, thanks to an emergency programme, but will revert to receiving nothing afterwards; others already had some state support through the CGP and received a smaller rise during the crisis but will continue to receive something once the crisis is over. The indication from this experience in Lesotho is that clear communication of the distinction between the emergency and the long-term support is essential to reduce confusion in cases where it is agreed that, owing to their different objectives, the interventions are set at different values.

6 Resources for implementing a response to shocks

Key points

- The economy is deemed to have performed reasonably well for several years though the economic outlook is weakening. Government expenditure accounts for a high proportion of GDP.
- Social protection expenditure is high. The main drive among the government and its partners is to improve efficiency through eg. a clean-up of databases and some harmonisation of procedures.
- The DMA budget covers its own operations, not the funding of disaster response. A Disaster Management Fund exists but does not contain sufficient funds to handle crises.
- The anticipation and analysis of funding requirements is particularly challenging in Lesotho: few preparedness activities or contingency planning exercises take place.
- Administrative constraints, especially in terms of staff capacity, are considerable in both the DRM and social protection sectors, and may be further stretched in the event of a shock. The government's reform programmes, including with the World Bank, are working to address these.

6.1 Financing

6.1.1 Government funding

Lesotho's economy is considered to have performed reasonably well for the last several years, with real GDP growth averaging 4.5% during 2010 to 2014, dipping slightly in 2015 (IMF, 2016). Government expenditure accounts for a large proportion of this, amounting to 60% or more of GDP annually. The government wage bill is declared to be, 'extraordinarily large' (IMF, 2016 p. 3); spending on social assistance is also highlighted as a major component of the budget. An assessment of the health of the economy in early 2016 noted that, 'indicators point to a generally sound financial system' but with a need for significant fiscal adjustments owing to a more uncertain and unfavourable economic outlook stemming from a combination of a drop in revenues from the Southern Africa Customs Union, threats to its textile industry, spillovers from changes to the South African economy, and disruption posed by the transition to a new government, besides the negative impact of the drought itself. In this context, creation of additional fiscal space for certain areas will require much contestation between competing priorities in different sectors around existing (rather than new) resources, which in turn will be steered by the political preferences of the time (Kardan et al. 2014).

Funding for social protection

Social protection spending makes up a substantial proportion of total government expenditure. It was noted above that about 4.5% of GDP goes to non-contributory social assistance alone. The National School Feeding Programme, OAP and CGP are all funded by the government, not by international donors. The National Social Protection Strategy expects this level of spending to continue over the medium term (Government of Lesotho, 2014c; Khondker and Freeland, 2014). The strategy is said to be affordable, even though estimated costs are high. Nonetheless,

'In order to garner continued political and financial support for the implementation of the NSPS, it is essential to build strong economic arguments, proving that the investment is worthwhile in terms of expected benefits in the future.' (Dietrich *et al.*, 2016).

A particular challenge is how to improve the efficiency of the spending, to increase the impact achieved with the resources available. Analysts note that, 'despite the substantial financial resources allocated to social protection, the system is not very effective in protecting the poor'

(Dietrich *et al.*, 2016, p.5). The creation of the MoSD, the elaboration of the strategy, and the development and revision of the NISSA are all part of the reform process that is intended to address this issue. So, too, is the World Bank-supported Social Assistance Project, which aims to deliver net savings on social protection expenditure by eliminating ineligible households from programme databases (especially the OAP) and harmonising some administrative procedures such as targeting, even while extending the NISSA and expanding the coverage of the CGP (World Bank, 2016a).

Funding for DRM

The DMA's regular budget covers only its own operations: it is intended to be used for its coordination of DRM activities by others, but not to fund the actual response to disasters. It expects line ministries such as those for agriculture, health etc. to have their own contingency funds. It is reliant on donor funding for key aspects of its operations, including routine data collection as well as targeting and data entry for emergency response.

A Disaster Management Fund has been established. The law provides that money donated from any source for disaster management, including from the government, should be maintained in this fund. The budget for the fund is approved annually based on proposals made by the CEO of the DMA and approved by its board. In non-emergency years the fund is expected to be replenished by around M10 million a year (about \$800,000) (Table 8). The money is intended to be able to remain in the fund beyond the end of the financial year if it is not needed in any given year. For this reason, once it goes into the fund it is counted as 'spent'. The budget department does not need to follow up whether it has actually been spent, although the DMA is expected to provide an audited update of receipts and expenditures annually to the minister in charge.

Table 8 Budget allocated to the Disaster Management Fund

Year	Budget (million Maloti)	Budget (\$)
2015/16 (initial)	10.4	816,000
2015/16 (revised)	145.6	11.4 million
2016/17	10.0	786,000
2017/18	10.5	825,000

Source: Government of Lesotho, Budget estimates book for financial year 2016/2017 and xe.com for USD.

However, responsibilities have not been allocated for ensuring that the fund is adequately resourced, and as a result its effectiveness is limited at the moment of a shock: as one key informant noted, 'The funds in the fund remain a question'. One respondent observed that the lack of funds was noticed during the last crisis, in 2012; it appears that a resolution to the problem was not subsequently identified.

The lack of clarity about the availability and location of funds led to the delayed response by the government to the declaration of the El Niño drought. As was noted in Box 2 (see section 4.1 above), in early 2016 the government pledged M155 million (about \$10 million) as a contribution to the response, out of its total estimated requirement of M584 million. This was a reallocation of funds from within the budget for the 2015/16 financial year. The funds were not immediately made available. By the time of our research in late 2016, numerous informants noted that they were not sure whether any of the expenditure commitments made by the government had been utilised. As one informant observed,

'We still don't know how much the government has put in. They committed M150 million. However, none of the boreholes are

operational, the orders for health are not yet placed, and they made the commitments in January' (Key informant, development partner).

Meanwhile, as also noted, a separate commitment was made to fund the food price subsidy without consideration as to the availability of resources within the government coffers. The funds for this were also sought at short notice, some coming from a reallocation of budget lines. They were made available more readily than those for the government's other initiatives to respond to El Niño, but the speed of disbursement still did not match the rate at which claims for reimbursement. At the time of our research the request for additional funding for the subsidy programme was ongoing, including through requests to donors and the private sector, and discussions with the debt department.

Several countries in Africa have signed up to the African Risk Capacity (ARC), a risk-pooling mechanism that insures governments against climate shocks—initially drought, but expected to cover floods and other events in future. Its stated aim is to, 'lower the cost of the response to disasters, before they become humanitarian crises'. Governments pay an annual premium set at a value that reflects the level of risk against which they wish to be insured (eg. a one-in-five-year drought event); payments are triggered if the relevant climatic conditions are met. This approach was being discussed with Lesotho at around the time that the El Niño crisis occurred. However, Lesotho decided against signing up as its greater imperative was to fund the response to the immediate crisis.

6.1.2 Fitness of current financial system for humanitarian response

A recent report on the future of humanitarian financing declares that, for financing mechanisms to look 'beyond the crisis', attention needs to be paid to three types of 'system upgrade': anticipation and analysis; upgrading the architecture; and improving efficiency (Poole, 2015). We look at the fitness of the current financial system in Lesotho for humanitarian response against these three areas.

Anticipation and analysis

The first issue is to be able to identify funding requirements and sources for addressing emergencies, with sufficient notice (ideally before the crisis becomes too severe). From Lesotho's experience with the El Niño crisis this appears to be an area that is particularly challenging. There was not much forward planning to work out the likely needs. The mitigation and preparedness plan was prepared only in September 2015 prior to the declaration of drought in December that year, even though El Niño had been known about for months, as one key informant remarked: 'We foresaw this coming, El Niño. We really knew.' Several respondents noted that early estimates of need contained some basic calculation errors and had to be redone. The expected source of financing for the eventual drought response plan was not known in advance. The government, for its part, made financial commitments without identifying the budget line from which funds would be allocated; the Disaster Management Fund had insufficient resources; and the subsidy was agreed but money was used up faster than it had been secured from Treasury.

On the part of the donors, too, plans for funding an emergency response had not been agreed in advance. The expansion of the CGP in a crisis had not been institutionalised after its last use, so protocols were not in place for releasing funds. For this reason the funding of the quarterly top-ups was divided among several donors; the World Bank sought its contribution through its 'crisis response window' at the end of 2016.

This suggests that there would be merit in stakeholders reviewing how the response to crises is financed, including by exploring how to appropriately fund the Disaster Management Fund or other options for contingency funding, and how to trigger the prompt release of resources.

Upgrading the architecture

The upgrading of the financing 'architecture'—the systems and processes for accessing and releasing funds—would need to occur as part of the improvements to anticipation of need, as just described. For now these processes are not clear. Beyond the availability of funds for emergency response, protocols such as regulations and guidelines need to be in place to specify how these are accessed and distributed. Despite requirement by law, the Disaster Management Fund was not immediately used for directing additional government financing for the El Niño crisis. Even where funds were allocated to it there was little understanding by line ministries as to how these should be accessed.

Moreover, while many donors endeavour to capture their grants and loans to the government within the budgetary system, little of the financing raised by development partners for crisis response goes through the government system or is captured by the system. The exceptions during the El Niño crisis were the top-ups to the CGP and support provided by the World Bank. This means that the full magnitude of the emergency response is not easily visible in the government's financial reporting system.

Improving efficiency

There have been some efforts to move towards improved efficiency of both humanitarian and social protection programming in Lesotho, including by the increasing use of cash rather than in-kind assistance where markets are functional. The MoSD recognises its high administrative costs and is working on the harmonisation of some of the delivery systems of its social assistance programmes: these may eventually include harmonisation of targeting methods, case management, payments and/or management information systems. The use of manual distribution of cash via G4S or the military is recognised to contribute to high administrative costs and is reported to increase the potential for errors (World Bank, 2016a). These attempts at integration of various components of a social protection system are being supported in part through the EU-funded Integrated Social Safety Nets project and the World Bank-supported Social Assistance Project (see Box 1 in section 3.1). Such changes to the routine social protection programmes are likely to have a benefit for emergency programmes that piggyback on those systems or that scale up the existing programmes. The scale of any saving will depend on the nature of the response and whether it can be accommodated within existing resources or requires surge capacity.

A final component of improving efficiency (and effectiveness) is the systematic conduct of cost-efficiency (and cost-effectiveness) analyses. Our study did not find evidence that this was being undertaken, either by the government or by humanitarian or development partners. A stronger monitoring and evaluation system, and agreement on common metrics for measuring the costs and benefits of various crisis response mechanisms, would help track whether changes being made to the system are improving crisis preparedness and response over time and delivering value for money.

6.2 Administrative capacity

The Government of Lesotho has already recognised that it has limited administrative capacity in terms of human and material resources, in both DRM and social protection. Its constraints in DRM are cited throughout the national progress report on the implementation of the Hyogo Framework

for Action, the main global compact for DRR: its first strategic goal in this area is, 'To strengthen national capacity to facilitate integration of DRR into development policies and planning from the central to the local levels with aim of reducing vulnerability and strengthening resilience' (DMA, 2014, p.3). It notes in that report that, 'both human and technical capacity of the coordinating organization form part of the constraints' (DMA, 2014, p. 17). At district level it lacks sufficient resources to lead the coordination of emergency responses.

In social protection, while financial resources are generous, these are not matched by human and material resources for their management. Our respondents noted a shortfall in staffing capacity for social protection at both national and district levels. At the time of our research no permanent staff had been recruited to the MoSD to run the CGP: it was run by staff who had been seconded from elsewhere in the ministry (paid for by the development partners), as a Social Assistance department had not yet been established. This raised questions about the sustainability of CGP operations. The department is also short of technical capacity to run the NISSA (see section 5.2.5). In addition, staffing constraints have affected the delivery of activities that require a temporary scale-up in manpower, such as the revision and extension of the NISSA database. Meanwhile, as we have seen, districts are lacking investment, particularly for access to the NISSA.

These capacity gaps that were visible during the El Niño response were already familiar to both the government and its partners. For this reason the MoSD had already launched its strategic plan that included the reform of its structure and the proposal for a set of new coordination mechanisms and committees (section 3.1). The recognition of these constraints also formed the basis of the World Bank-funded Social Assistance Project that started in mid-2016.

These reforms mean it is possible that, by the time of a future shock on the scale of El Niño, the context of some of the resourcing challenges encountered during the El Niño response will have changed. It will be important for implementing agencies to consider the extent to which a response to shocks can be accommodated within existing resources, or whether they require additional capacity. For instance, if transfers continue to be distributed manually and there is a decision to issue an emergency payment at a separate time to the usual quarterly transfer, the extra staffing required will be considerable; whereas if payments move to an electronic system that proves effective, it may be possible to issue top-ups with minimal extra staffing.

7 Coordination between the social protection, DRM and humanitarian sectors

Key points

- Links between the DRM and social protection sectors are generally not strongly developed. The DMA's capacity constraints limit its interaction with all the sectors with which it might collaborate.
- The social protection sector is becoming more cohesive with the creation of the MoSD and a national strategy, but is quite dispersed. Donors tend to form their own relationships with selected actors; forums for wider dialogue were largely absent at the time of the El Niño crisis.
- There was no systematic review of whether it might be better to top up the CGP rather than other social protection programmes: no forum existed for such a discussion. While the MoSD was part of initial meetings when the drought response plan was put together, the ministry does not lead on many of the country's social protection programmes and was not in a position to weigh in on the merits or de-merits of using alternative social protection instruments.
- There are already examples of operating systems being used across the sectors, notably the LVAC assessments which are used by many actors. The NISSA database is less widely used. In some areas, collaboration increased during the El Niño response, such as the use of common community based targeting methods and attempts to harmonise transfer values. Payment systems are often manual so there is limited opportunity to collaborate on these.

Governments and their partners worldwide are in a constant quest to improve coordination of their activities, aiming for outcomes ranging from simply knowing what each other is doing, to jointly planning tasks, to working together towards collective outcomes. In the present context, coordination for improved responses to shocks in Lesotho can be analysed at three levels. First is the coordination between the overall *systems* for social protection, DRM and humanitarian assistance, including the coherence of their policies and the interaction of their actors. Second, we examine more specifically the way that *programmes* were coordinated for the El Niño response. Third, we review coordination of *delivery systems* such as methods for targeting, payment or record-keeping, including the NISSA and LVAC assessments.

7.1 Coordination across and within sectors—work in progress

If social protection systems are to provide an effective contribution to the mitigation of, or response to, emergencies, coordination is required between the different actors involved in DRM, emergency response and longer term social protection. In turn, in order for this to be achieved efficiently, each sector needs to be internally coherent. In an ideal situation a coordinated social protection sector would feed into an overall disaster management and response platform that spearheads the coordination of the response.

Nationally, the DMA is mandated to oversee this platform. In practice it faces challenges in doing so. Some agencies who interact with both the DMA and the MoSD report that they tend to engage with them separately, noting that it has been difficult to bring them together. At district level, as we have seen, a cross-sector platform does exist in the form of the District Disaster Management Teams; however, these can have difficulties linking up with the national level on account of the mixed reporting lines noted in section 3.2. Some of these challenges with system coordination relate to the multisectoral nature of both DRM and social protection, while others relate to the state of maturity of the individual sectors. International partners supporting the government's activities across these sectors generate their own dynamic.

7.1.1 Coordination within DRM

As the lead agency for managing covariate shocks, a strong DMA is central to the effective coordination of government-led emergency responses. The DMA itself declares that while the potential exists for its integration of disaster risk considerations into sustainable development policies, 'what needs to be done is increase capacity for coordination' (DMA, 2014, p.35). The further strengthening of the capacity of the DMA and its structures are necessary first steps in enabling it to lead responses to emergencies:

'The national coordinating office is very small with limited capacity, both technically and financially as well as lacking in human resources...We are in the process of sensitizing policy makers to strengthen the coordinating authority so that it can be able to perform its mandate' (DMA, 2014, p.11).

The fact that the DMA reports into the office of the prime minister should lend it authority, but the high-level mandate is not enough without the resources for it to coordinate preparedness and response activities. Its challenge is that, as DRM is multisectoral, it needs to interact not only with organisations working on social protection, but also with numerous other sectors ranging from water and sanitation to health to agriculture. This is both resource- and time-intensive.

At district level, the DMA does not have a comprehensive oversight of the DRM activities being undertaken because the District Disaster Management Teams do not report directly to them. Nonetheless, the fact that the district level teams exist and meet—with varying degrees of frequency and effectiveness—is itself beneficial for coordination.

7.1.2 Coordination within social protection

The social protection sector has a different set of challenges to that of DRM. Here the issue is not that it is insufficiently resourced, but rather that it is wide-ranging in its scope, funded from numerous sources and spread across many ministries. Internal coordination of the sector has begun to be strengthened through the establishment of the MoSD in 2012 and the National Social Protection Strategy in 2014 (see also section 3.1). For now, while this process of consolidation is at an early stage, social protection programmes continue to be implemented rather independently of one another, without consideration to harmonisation. The government hopes that the introduction of its proposed coordination mechanism for social protection at cabinet level, also including a secretariat in the office of the prime minister, will promote the coordination of activities within the sector. In the meantime the MoSD is not in a position to command a view of the social protection system as a whole or to weigh in on the merits or de-merits of using the different social protection instruments in emergency response.

The World Bank-funded Social Assistance Project, launched in mid-2016, also aims to deliver, 'improved coordination of social assistance programmes' as one of its primary aims (World Bank, 2016a, p.13). It plans to set up a 'social protection policy committee', mainly for government staff. However, it intends to cover only social assistance, so will not create a space for system-wide coordination that also includes social care services and contributory social insurance. It is also not clear that it will bring in every provider of services that might be perceived even as social assistance, such as the Ministry of Education (see Figure 3 in section 3.1 for the full set of social protection programmes). Meanwhile there is no donor social protection group, so no regular space for collaboration between donors and the government. The lack of opportunity to engage with all social protection actors at once has tended to result in external agencies gravitating towards building relationships with a single implementing partner or programme, such as the CGP. Investment in these relationships in long-term development work makes it easier to use them as a

basis for emergency responses, as the FAO has found with respect to its long-term complementary support to the CGP.

7.1.3 International partners

UN agencies, donors and NGOs do not form a sector in themselves—indeed, they work within DRM and social protection, as well as providing humanitarian assistance in emergencies—but their coherence has an impact on the smooth functioning of the overall system. If each works independently, the government has to engage with them one by one. Many coordination mechanisms that exist in other countries for social protection and humanitarian assistance do not operate in Lesotho: for example, there is no Cash Working Group, and we came across little familiarity with the concept in the country. The absence of forums for dialogue or interaction on the part of international agencies as well as the government results in the emergence of policy agendas and programmes that risk overlapping or even competing with one another: donors set up groups with a name such as 'social protection committee'—the one planned by the World Bank is reported not to be the only one—to handle their organisational interests in the sector, thereby inadvertently excluding the possibility of other agencies being let in to discuss social protection issues. It also risks giving rise to competition among agencies to dominate the social protection space, to be seen as the 'go-to' partner for interaction on social protection, and potentially risks providing competing approaches to the government. This has implication for the efficiency and effectiveness of the core social protection system and can cause disarray at the moment of implementing an emergency response:

'Once the NGOs and UNs come with their packages they separate us [the different government agencies]. Maybe we let them separate us'.
(Key informant, government, district level).

The creation of the UN HCT was cited by some respondents as useful for enhancing coordination among the UN agencies.

7.1.4 Systemwide coordination of the El Niño response

The limited convening power of the DMA, combined with the amorphous nature of the social protection sector, resulted in a less coherent response to El Niño than many of our key informants would have wished. In contrast to the response to the previous food security crisis, in which UN agencies had taken on a greater leadership role, on this occasion the response did benefit from stronger government ownership. Immediately after the declaration of the drought emergency the DMA invited all partners to identify what could be done. However, this was not seen as an effective channel for response and as a result development partners pursued their own interventions: in the words of one informant, 'When the crisis emerged each agency went right in and did its own thing'. The DMA's meetings to handle the drought tended to be used more for information-sharing, whereby international partners informed the government of their activities, than for steering a coordinated response. Participation—including by government ministries, the MoSD among them—dwindled over time. The DMA's sector working groups—particularly the agriculture and food security group—were nevertheless used as a forum for raising some of the issues relating to the use of social protection for the response.

7.2 Coordinating programmes in the El Niño response

At national level, without a common platform for convening all social protection actors, there was no place within the government through which the respective merits or drawbacks of using different social protection interventions to support those affected by the drought could be considered. This

means that there was no systematic review of whether it might be better to top the CGP rather than, say, the pension or the Public Assistance programme. As noted earlier, development partners focused on whether and how to append support to the CGP because that was the programme with which they had the longest established relationships and the most familiarity; the nature of that support itself was not overseen by the DMA. A debate about how to extend the CGP did take place during one of the DMA's coordination meetings, at which some participants queried UNICEF's proposal to conduct vertical expansion (top-ups) rather than horizontal expansion to new beneficiaries. However, the final decision to introduce top-ups was taken outside the meeting.

Efforts to coordinate programme implementation started with discussions about which agency should operate where. Until the HCT was up and running in early 2016, and without a joint response plan, early interventions tended to be concentrated in similar geographic areas, notably Mafeteng and Mohale's Hoek which were considered particularly at risk on the basis of assessment data. Over time, agencies tried to coordinate their responses across and within the districts. For a time there was an agreement for some of the major agencies offering emergency assistance to stay out of the community councils where the CGP was operating: WFP, for example, tended to work in non-CGP areas. Owing to resource shortages, this meant that at the beginning of the drought response non-CGP households living in CGP areas were not covered. Some emergency support was subsequently introduced to those areas.

Occasional instances were reported of households receiving more than one type of assistance, though the preference of implementing agencies seemed to be to try to avoid this. We find that international partners tend to distinguish between two scenarios in relation to the delivery of multiple social assistance programmes to the same households. On the one hand, they often encourage the delivery of complementary measures to build resilience (such as cash to meet immediate needs, alongside other inputs to increase livelihood opportunities); and, on the other hand, they may advocate the avoidance of what is presented as 'double-dipping' of emergency interventions, ie. receiving assistance from multiple sources to address the same issue²¹.

In our discussions with key informants in one district we found evidence that the District Disaster Management Team was functioning as a coordination body: representatives from the government, UN and NGOs did attend the meetings, and they were used to coordinate the distribution of actors among localities within the district. Not all information was brought to the table: some members of the team were reportedly not aware of the CGP top-ups until after they had been distributed, so did not take them into account during their initial planning. It was suggested that perhaps these top-ups were not mentioned because they were perceived as a continuation of routine benefits rather than as an emergency response. The quality of interactions within the District Disaster Management Teams is said to vary by district.

7.3 Coordination in use of delivery systems

Some operational systems for social protection and food security already serve as a common tool for use by DRM, social protection and humanitarian actors. The annual LVAC vulnerability analysis serves this purpose. So, too, did the assessments delivered after the declaration of drought: the rapid vulnerability assessment, a market assessment and a modality assessment carried out in May 2016 that determined whether food assistance should be in cash or in kind in each area of the

²¹ This distinction is not always perceived by communities who may prefer to reach as many households as possible with support, rather than have some households receive multiple interventions, even if they serve different purposes. See eg. the working paper on community perspectives of social protection in the Sahel (Watson, 2016).

country. This collaboration on vulnerability analysis extends to other countries in the region through the SADC network.

Although the agencies promoting the NISSA are keen for it to provide a similar cross-sectoral function it was not yet able to do so in the El Niño response, for the reasons outlined in section 5.2. These relate to both its design—the NISSA form not being intended to collect information on emergencies, the fact that it is only in half of community councils and 70% of the population in those areas, and concerns about data accuracy and accessibility—and also its implementation: one NGO that tried to use it reported receiving more than one version of the NISSA data and being unclear which was most accurate. Some challenges will be resolved with the investment now being made around improving the design of the various programmes and enhancing the NISSA database. Others will be temporarily reprieved, such as data accuracy, which will improve for a short while after the data collection in new community councils, but which does not yet have a mechanism for on-demand registration and updating. Still others, such as the omission of a large part of the population from the database, will in fact increase under the new approach..

In respect of other components of the delivery system, collaboration and coordination was strengthened during the course of the El Niño response. This was the case with the targeting method and the decision about moving towards more common transfer values. One area in which it was not easy to implement a coordinated approach was that of the payment mechanisms for the various types of social assistance. The heavy reliance on manual payment systems—people handing out cash from a van—even for the long-term social protection interventions means that there was not a natural mechanism to build on.

8 Conclusion

Key points

- The traditional emergency response to the El Niño crisis has had some degree of success. Its shortcomings, as discussed throughout this report, are often recognised by agencies and there is merit in considering whether social protection interventions can contribute to addressing them.
- Political will for routine social protection is high; the will for adapting it in a crisis less so. The use of the CGP for the El Niño response was a reasonable way of reaching a proportion of the people affected, though not relevant for at least three-quarters of those in need. Improvements to the routine CGP—updating the list, amending the manual payment system—would have a knock-on beneficial effect in a crisis. The food subsidy, school feeding programme and pension all merit being reviewed to consider whether they can be better used in a future crisis.
- Interaction between actors responsible for DRM and social protection will be made easier as the two sectors become better resourced and the social protection sector becomes more internally cohesive.
- Recommendations are made on improving routine service delivery in both social protection and DRM; improving anticipation of, and preparedness for, crises, including human resource and financial needs; and strengthening the NISSA database and M&E systems.

8.1 Implications of the nature of the El Niño crisis and its response

The El Niño crisis of 2015–16 has been a slow-onset food security shock that was estimated to have left some 477,000 of Lesotho's population of 2 million with a 'survival deficit'—lacking sufficient resources to meet minimum food and non-food requirements—and several hundred thousand more at risk of food insecurity. The fact that it affected not only every district of Lesotho but also the wider southern Africa region, including the country's main economic partner, South Africa, exacerbated the crisis as prices of food imports rose while national production declined. The task, then, has been to deliver immediate assistance to meet food needs nationwide (including to previously non-vulnerable households), in both rural and urban areas. For some agencies the objective has also been to strengthen resilience to future shocks, to end the cycle of seasonal vulnerability to food insecurity.

We have seen that the response to El Niño during 2016 was delivered through the DMA and its international partners, and also through the MoSD and other ministries (eg. the food price subsidy led by the Ministry of Small Business Development, Cooperatives and Marketing). Many UN agencies, other donors and NGOs also provided their own emergency responses. In some cases the social protection system was used as part of the El Niño response, such as in the vertical expansion of the CGP and the piggybacking of complementary measures onto the same programme.

Aspects of the El Niño response had some degree of success. The Lesotho Red Cross Society and WFP were able to launch their emergency responses in some districts within a couple of months of the declaration of the drought. The government's subsidy increased demand for certain types of maize meal. The appeal for international humanitarian funding in mid-2016 met with a relatively generous response. Tens of thousands of households were reached via the CGP. The estimated number of households still facing a survival deficit at the end of 2016, at 47,000, was some 90% lower than it had been six months earlier²².

²² The precise impact of these interventions on households could not be quantified at the time of the research, since responses were still underway and rigorous impact evaluations had not been undertaken. It is therefore not possible to state the extent to which the reduction in food insecurity is attributable to them.

At the same time, shortcomings in the response are apparent and often recognised by implementing agencies. The size of the required response exceeded the limited staffing capacity and budget of the DMA. The agency's budget, intended in principle for coordination though not for delivery of the response, was insufficient to coordinate essential activities such as the collection and entry of data on households' needs. The government was unclear where it would obtain funds to address the crisis, and its commitment of about \$10 million to the emergency response had not materialised by late 2016. The food price subsidy was designed at relatively short notice and was not designed with the households most in need in mind. Meanwhile some donors advocated for, and used, the CGP as part of their response, while its associated delivery system, the NISSA database, was not used other than in relation to those CGP beneficiaries. The major social protection interventions, the old age pension and the National School Feeding Programme, were not considered in the design of the response. There was considerable debate in the midst of these activities as to which agency should go where, and how much support households should receive.

From this perspective we see that there has been merit in reviewing holistically the social protection system, analysing the choices made as to its use, and considering the prospects for improving the comprehensiveness, timeliness, predictability and efficiency of a response to such shocks in future. We conclude here with observations on these issues in relation to our two research questions, and make some recommendations.

8.2 What features of social protection interventions and systems facilitate an effective response to shocks?

Does Lesotho's social protection system offer a solution to the shortcomings noted above, and can it address the challenges inherent in its own contribution to the response to El Niño? What determines its likely usefulness?

A recent concept paper that explores design challenges for social protection systems cites three prerequisites for a system to function (Samson and Taylor, 2015). These are, first, *political commitment* for the establishment of the system; second, *political influence* to secure resources; and third, *institutional capacity* to deliver the resource-intensive programme. The same framework can be applied to a shock-responsive social protection system.

- While political commitment for regular social protection is high in Lesotho, political commitment for social protection as an *ex-ante* or *ex-post* response to covariate shocks is moderate. Ministries and international agencies each have a strong attachment to 'their own' programmes; they pay little attention to, and have limited influence over, those implemented by others. The decision as to which social protection intervention or delivery system to use was therefore ad-hoc. Some implementers (such as those running the old age pension and the National School Feeding Programme) either considered their intervention irrelevant to the crisis—beyond its conventional protective function—or unable to be adapted, or had not thought to explore options. Among those responsible for DRM and emergency response, commitment to shock-responsive social protection is largely absent as they are not familiar with the sector.
- Influence to secure resources is generally high across the government in respect of routine social protection. However, this does not extend to influence to obtain resources to meet additional needs during a crisis, owing in part to a lack of planning and anticipation of needs. The sources of funding for the response to El Niño were identified only after the drought disaster had already been declared.
- With the political case for increasing resources to shock-responsive social protection not yet made, it is unsurprising that the institutional capacity to deliver such a scheme is limited. Both the DRM and social protection sectors have very light staffing structures, face skills gaps in key

areas such as to develop the NISSA to the desired level, and lack the material resources in districts to deliver their mandates fully.

Bearing in mind that the whole social protection system is in the midst of reform, it will be important for policymakers to consider whether the changes being made can improve the government's ability to respond flexibly and promptly to both food security crises and other types of shock. These reforms include the activities under the World Bank-funded Social Assistance Project and the measures funded from its 'crisis response' window, the proposed organisational changes in the MoSD, the creation of new committees to coordinate social protection, and the reorganisation of the National School Feeding Programme.

As for the system's use in the El Niño response, we have seen that the provision of top-ups to CGP beneficiaries was a reasonable way of reaching a proportion of those affected by the crisis. It was used because the CGP had a means of delivering payments to some households in half the country. The CGP at its usual transfer value was not sufficient to insulate many households against the shock: the 2016 LVAC assessment noted that only about 30,000 people avoided falling into food insecurity thanks to any safety net (not just the CGP). So the top-up was a logical measure. Faith in the suitability of using the CGP in this way was naturally strong among its custodians, and considerably weaker among those not invested in it.

Nonetheless, at most the CGP, with its coverage of about 130,000 people, reached no more than 25% of those in need—and most likely fewer, since not every CGP household would have been among those affected. A more effective response would be facilitated by having on-demand registration of beneficiaries, such that poor households with children do not wait several years to be registered; and by extending the programme to the half of the country where it does not operate, since the current selection of participating community councils was partly a lottery. The CGP's ability to respond quickly to a crisis is constrained by its quarterly manual payment method: to improve timeliness it might need to plan how to resource the administration of extra disbursements outside the quarterly schedule, or to consider non-manual payment methods, provided that that does not negatively impact beneficiaries of the routine programme. It would certainly also be useful for policymakers to set out a plan for how the CGP would be used in a crisis, under which circumstances, and how it would be funded, since it has now been used on two occasions (2012 and 2016) in different ways, with no learning or institutional memory between the two experiences. The FAO, in contrast, has been building institutional memory of its experiences of providing complementary measures to CGP beneficiaries in development programming and may have some guidance here.

Ultimately, while the CGP top-up was a convenient model for channelling resources to poor and vulnerable households by those agencies already linked with the programme, it formed just one part of the overall response²³. It is not possible to say with certainty that it was a better system than those implemented by other agencies such as WFP, whose response was more directly informed by the needs arising from the drought. If policymakers wish to measure the effectiveness of the CGP top-up compared with the alternatives, an evaluation would be needed. We cannot assume that improvements to output measures—number of households reached within 'X' days, or amount of money disbursed by donor 'Y'—are a sign of improved impact if these are actually the 'wrong' households (households with children in areas selected by lottery) or if they are given only 30% of the amount assessed by others to be necessary.

²³ In any case, greater convenience to donors should not be assumed to be correlated with greater impact for those most in need, since it risks either excessively favouring CGP beneficiaries with multiple top-ups while others receive nothing, or else leaving CGP beneficiaries with less assistance than others because humanitarian agencies think they are already covered.

The option of using the NISSA database might have some advantages if it functioned as intended, since it has many more households on it than the subset of CGP beneficiaries alone. However, as we have seen, the use of the wider database was abandoned for the El Niño response because it was inaccurate, and largely inaccessible to the people mandated to respond to disasters. It was not clear to our research team that supporters of the NISSA were aware of the extent to which the database is invisible and unusable at local level, much as local implementers might wish to use it. The updating of the NISSA that is underway will temporarily resolve part of the issue but create others, since half the population is not on it.

Meanwhile, the food price subsidy had the benefit of reducing the cost of other humanitarian assistance and also mitigated price increases for the National School Feeding Programme. Such an intervention has the potential to reach a large proportion of the population. If deemed an appropriate policy response, a future subsidy could be made more effective if an analysis were conducted on the purchasing needs of different segments of the population—both urban and rural, and among different wealth groups—in order to identify the best products to which the subsidy could be applied. This will help ensure that it does not subsidise the middle classes at the expense of the poorest rural households.

The National School Feeding Programme remains an important safety net, given its enormous reach and the fact that it supports the livelihoods of local caterers as well as providing meals for children. In other countries such programmes have been adapted during an emergency: in Mali, for instance, the school meals programme was vertically expanded during the recent crisis—giving top-ups to existing recipients—through the provision of a second daily meal, take-home rations and an extension of the scheme into the school holidays (see O'Brien *et al.*, forthcoming). It might be valuable for the programme in Lesotho to consider the feasibility of these or similar options—such as extending the school meals programme more widely to pre-schools—as part of a broader set of responses.

Finally, the Old Age Pension is some way from being considered an integral part of a social protection system that could be used to respond to shocks, since it is not even thought of as being a social protection intervention. Its implementers would need to be brought into discussions on routine social protection, and substantial political will would be required to make any changes to the current system which is embedded in law. The reform of the core intervention, which is planned with the assistance of the World Bank (including the proposed clean-up of the beneficiary list), will be a necessary precursor to assessing the extent to which it is suitable for adaptation in an emergency response.

There are other social protection programmes that this study was not able to fully scrutinise such as the National Public Works Programme and the Public Assistance Programme. These programmes, too, merit further examination as suitable emergency response instruments.

8.3 How can social protection, DRM and humanitarian systems work better together for more effective responses to shocks?

The DRM system has many sectors to coordinate with in the course of its routine work, of which social protection is one. The DMA recognises its human resourcing and financial capacity gaps that limit its ability to make the linkages it might wish. If the social protection sector were itself more cohesive it might be easier for government departments and other agencies to engage with its programmes and delivery systems to work out how best to interact with them. In the absence of any such forum for social protection, the choice as to which components of the social protection system are of use (if any) will have to be made by interacting with the implementers of each intervention on an individual basis. It is therefore unsurprising that, where agencies have funds to

support emergency response, they tend first to consider providing additional support through the intervention with which they already have the most established relationship. It will be important that, if a 'social protection committee' or other forum is set up, it allows for participation by the full set of actors delivering the programmes cited in the social protection strategy, including social care services, contributory social security and the old age pension.

Within the structure that was in place as of 2016, UN agencies were already having discussions among themselves and with the government about complementarity, including to build household resilience, and have been framing discussions in the context of promoting responsiveness to shocks. The prospect of linking programmes or working more closely together to improve responsiveness to shocks will require agreement on many design and implementation features, such as whether the different objectives of a long-term social protection programme and an emergency response can be reconciled, how much households should receive, and the ways by which DRM data might trigger the early release of additional financing for social protection. An assessment as to whether any of these arrangements constitute a 'more effective' response to shocks would have to rely on a solid M&E system which might make comparisons with the alternatives, including regular emergency response. For now—as in many countries—such a system is not in place, and the effectiveness of most responses has not been assessed.

8.4 Recommendations

1. **Support to routine social protection.** Improvements to the regular functioning of the core social protection programmes and delivery systems, including the CGP and Old Age Pension (expanding coverage, updating the beneficiary lists, improving payment systems etc.) will make a considerable difference to their efficiency and effectiveness in the event they are used in a crisis.
2. **Support to the emergency response mechanism in place.** Likewise, any support to the strengthening of the DMA and its ability to deliver its mandate will enhance its value in a crisis. Resourcing does not match the system that is meant to be in place. This could include eg. working to identify the mechanism by which the emergency fund has funds available to distribute at time of need.
3. **Planning and preparedness.** Once the immediate crisis is over, conduct preparatory work as to the ways (if any) by which social protection programmes and delivery systems might make a useful contribution in response to future shocks, rather than designing the mechanism during the crisis. This should take into account not only what was done by the government and its partners during the response to El Niño, but also what was not done (use of the National School Feeding Programme, Old Age Pension, wider NISSA database). Integrate consideration of non-contributory social assistance programmes into contingency plans, including an indication of how expanded programmes would be resourced.
4. **Coordination.** Articulate more clearly the way in which the social protection sector should feed into the DMA's structures and processes for coordinating emergency response.
5. **Anticipation and analysis of financing needs for crises.** Strengthen the process for anticipating financing requirements on a routine basis through better preparedness and contingency planning processes supported by available data and/or by an improved early warning system.
6. **Development of the NISSA.** While the NISSA is undergoing reform, reach a decision on four major aspects determining its relevance in a shock: (i) Comprehensiveness: how will households not on the NISSA be reached? (ii) Accuracy: how can households report changes to their material circumstances that affect their categorisation on the database? (iii) Accessibility: how can the District Disaster Management Teams easily use the data? This may require investment in infrastructure and training. Will other programmes also be able to access

the data, and how? (iv) The protocols by which the system might be used at all in an emergency (eg. will CGP households be prioritised, being considered vulnerable, or will they be excluded because they are deemed already to receive support?).

7. **M&E of interventions and of the use of delivery systems.** Conduct reviews of the emergency interventions implemented during the El Niño crisis, including cost-efficiency analyses if possible. Prepare a framework of measurable criteria against which the efficiency and effectiveness of future interventions will be determined (extending to measures of outcomes, ie. their benefit to households, not only indicators of the efficiency of outputs such as timeliness of disbursement). If the CGP is to be vertically or horizontally expanded in future, it would be useful to include in its logframe an indicator that assesses the effectiveness of the emergency top-up.

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Annex B Detailed methodology

B.1 Approach to the research

The overall research combines both quantitative and qualitative data gathered through a combination of desk-based research (literature review and interviews) and six country case studies, three in-depth and three light ones (document review, consultations with key informants and stakeholders). In-depth case studies provide detailed information gathered over at least three in-country research periods, accompanied by regular consultations and interactions with key stakeholders in-between the missions. The light case studies analyse information relevant to the main research questions, but during just one in-country research period and focusing on specific aspects particularly interesting to examine (such as an effective DRM system, a successful experience in piggybacking, or multiple regional initiatives aimed to deliver effective shock responses). The research has three main components: normative, diagnostic and explanatory:

1. **Normative:** this component ensured key terminology and concepts were clarified leading to consistency across the project e.g. on the objectives of social protection and key enabling factors and constraints as identified by the literature. Some of this was completed during the literature review and inception phase consultations. The aim was to identify what qualifies as a shock-responsive social protection policy and system, their properties and the links to humanitarian interventions.
2. **Diagnostic:** this component mapped out social protection policies, programmes and systems and considered their (actual and potential) degree of responsiveness in the context of different shocks. It also provided descriptive analysis of broader processes that influence that effectiveness, such as political considerations, the budget process and the legislative framework.
3. **Explanatory:** this component addressed the question ‘why’? It examined the factors underlying the patterns and results highlighted at the diagnostic stage. Its objective was to provide information on the reasons why policy and systems have evolved and performed as outlined. Factors considered include: policy design and implementation details, administrative / operational capacity, political economy variables and financing sources and arrangements. The analysis was applied to social protection policies, programmes and systems and to the coordination or integration (and/or lack thereof) between social protection and humanitarian shock response.

B.2 Analytical tools

Answering the research questions required the application of a broad set of analytical tools covering different themes and pursuing different objectives. These are:

1. **Mapping and analysis of stakeholders, power relations and governance:** This set of tools analyses the people and organisations who are—or might be—involved in contributing to a shock-responsive social protection system; their mandates, interest and influence, the way they organise themselves and their capacities. It consists of stakeholder analysis, institutional analysis and organisational capacity assessments.
2. **Vulnerability / poverty analysis:** This involved creating a ‘risk and vulnerability profile’ for each country, drawing on secondary quantitative and qualitative data from reputable sources.
3. **Mapping and analysis of policies and systems for social protection, humanitarian assistance and DRM:** This involved reviewing and updating existing mappings and collecting information relating to the design of relevant policies and systems and the features of policy

delivery. Following the mapping exercises, policy analysis was conducted to review explanatory factors.

4. **Budget / financial analysis:** This involved review of the macroeconomic environment and medium term outlook of key economic indicators; review of budgetary processes and rules for allocation of budgets, their use and reallocation within and across sectors or administrative entities; analysis of sources and levels of expenditure allocated to social protection, DRM, humanitarian response, and (if relevant) climate change; and financial analysis of specific social protection, DRR / DRM, or humanitarian response programmes or interventions.

Our approach paid attention to issues of conflict and fragility and their impact on the development and implementation of policies and systems that can respond to shocks. This has been linked to the questions explored under analytical tools such as the vulnerability analysis and financial analysis, since conflict and fragility may have a bearing on topics such as the assessment and mitigation of risk and issues surrounding funding cycles.

B.3 Overview of stakeholder consultations

Primary research was undertaken during a two-week research period in October 2016, during which we had consultations with representatives of central and local government, UN organisations, multilateral donors and NGOs, in Maseru and in one district. We also held further interviews during the analysis and write-up phase, including remote interviews with key informants who were not based in Lesotho. The team met with some 37 respondents (Table 9).

Table 9 List of key informants interviewed

Type	No. interviewed	Organisation
Central government	15	<ul style="list-style-type: none"> • MoSD • DMA • Ministry of Education • Ministry of Finance • Ministry of Small Business Development, Cooperatives and Marketing
District government	4	<ul style="list-style-type: none"> • MoSD • DMA
Multilateral development partners	12	<ul style="list-style-type: none"> • EU Delegation • FAO • UNICEF • UN Office of the Resident Coordinator • WFP • World Bank
NGO	4	<ul style="list-style-type: none"> • Catholic Relief Services • Caritas • Lesotho Red Cross Society • World Vision
Other	2	<ul style="list-style-type: none"> • Independent consultants

Source: OPM.



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