

**JAR 2007 - OPERATIONAL REVIEW 2008**

**EC — MOZAMBIQUE**

**JOINT ANNUAL REPORT on 2007  
For the Operational Review 2008**

## Chapter 1. Executive Summary

The present document is the Joint Annual Report corresponding to implementation year 2007 that the Government of Mozambique and the European Commission have agreed on in 2008, as stipulated in the Cotonou Agreement, Annex IV, Article 5. This report analyses for the year the situation in the country; describes an overview of past and current EC cooperation in Mozambique; makes an assessment on policy coherence issues; identifies actions foreseen in the 10<sup>th</sup> EDF in accordance with the priority actions of EU-Africa Action Plan agreed in December 2007 and describes dialogue in the country with the NAO and the Non State Actors. It also presents an update of the existing general donor coordination and harmonization framework, and the main conclusions on the implementation of the 9<sup>th</sup> EDF CSP.

The performance of the EC cooperation can be assessed in terms of financial absorption of the available envelope; sectoral and macro-economic performance in the sectors of intervention in relation to agreed targets aligned on the PARPA II objectives and quality of dialogue. In Mozambique for the period under consideration, those three elements can be considered as globally positive. However, improvements can be made in some specific areas.

The evaluation of the current CSP (9<sup>th</sup> EDF) found that EC development cooperation in Mozambique is of high quality. The effectiveness of the EC Delegation as a partner of government supporting national poverty reduction policies has improved significantly during the period 2001-2007. Also, the EC has continued the move towards increased proportions of general budget support and sector budget support, as recommended. The rate of disbursement has been considered impressive.

As to results in focal sectors, overall level of performance against the 2007 PAF targets is mixed. Good progress was achieved in a number of areas, namely macroeconomic support – solid growth having been showed - and overall reforms in PFM. However, inequality seems to be growing, particularly in urban areas. Therefore there are questions on the poverty reduction effects of the high growth rates experienced by Mozambique. It is expected that the household survey, which will take place in 2008 would shed light on this matter.

In the Road sector, there were significant improvements, as the new sector policy and strategy, functional organization and the move towards sector budget support were consolidated. The Road Fund revenues continued to improve but the performance on routine maintenance still has to be improved. The delivery of core services in agriculture was, in some cases, below the targets but some progress in the indicators was considered encouraging. Although the expansion of service delivery in health and education continued to be good, the spread of HIV/AIDS is also an enormous threat to future growth and poverty reduction. A series of challenges also remain in the area of governance.

Demonstrating a positive performance of the EC-Mozambique cooperation, it was formally decided at the beginning of 2007 to increase the 9<sup>th</sup> EDF envelope by 50 M€ (as a result of the 2006 End-of-Term review). Those additional funds were concretized through the signature in October 2007 of an extension of the general budget support programme 2006-2007. This allowed to avoid any gap in the EC's support in this area and in Mozambique's national budget during 2008, transition year between the 9<sup>th</sup> and the 10<sup>th</sup> EDF.

## Chapter 2 . Update on political, economic and social environment

### **2.1 Political situation**

Mozambique is a competitive electoral democracy but the challenge to improve the conduct and administration of the next electoral processes remains. The November 2007 consensus of the two main parties to amend the Constitution in order to allow the postponement of the first provincial assemblies' elections, that were scheduled for 2007, was welcomed as it provided the time for a more comprehensive voters' registration exercise and for a proper planning and preparation of the up-coming elections (which also includes municipal, parliamentary and presidential elections).

The independence of high-level institutions that check on executive and legislative powers has been up-held significantly with far-reaching decisions of the Constitutional Council and also from the Administrative Court that were duly respected and implemented. These developments clearly indicate that the consolidation process of the rule of law at top level is progressing.

The Government completed half of its mandate and while there has been sustained macroeconomic stability, economic growth and broad policy continuity, there was also recognition that the results of the reform process and of some policies defined in the PRSP were not meeting expectations. Corrective measures were taken and changes were made in some important positions and institutions.

A wave of violent and localized crime that hit mostly Maputo and its surroundings in the beginning of the year 2008 exposed the weaknesses of the police force. Efforts to counter administrative corruption continued but the effectiveness of the national anti-corruption strategy will only be assessed in a medium and long term perspective.

The implementation of the APRM process in Mozambique continued with the establishment of a national forum to undertake the country self-assessment and to draft a programme of action. The forum contracted three organisations to carry out surveys and broad publicity was given to the overall process.

In what regards regional integration, Mozambique has a particular interest in promoting regional initiatives which strengthen inter-country transport, energy markets, and the use of international water and ports, making the international transit through Beira, Nacala and Maputo corridors competitive.

### **2.2 Economic Situation**

Despite extensive flooding and cyclone Favio which caused serious damages in the country, Mozambique's macroeconomic performance continued to be positive during 2007. According to the National Institute for Statistics, in the third quarter of 2007 GDP growth was 7.3% and the average inflation rate was 8.2% that is above the programmed 2007 target of 5.9%, but decreasing compared to December 2006 when it amounted to 13.6%. In its fight against inflation, the Central Bank is trying to reduce liquidity in the economy through the issuing of Treasury bills and the sale of foreign exchange.

Macroeconomic stability is facilitating the economic expansion of Mozambique. A second generation of mega-projects, such as the Moatize coal mine, a doubling of gas exports through the Sasol pipeline and the construction of a second fuel pipeline to South Africa is expected to take place over 2008-2009.

The PRGF programme supported by the IMF expired in July 2007. It has been replaced by a new Policy Support Instrument that aims to ensure macroeconomic stability while improving social service delivery and boosting economic growth. The three IMF missions in 2007 all confirmed that Mozambique's economy continues to perform well. Macroeconomic stability is consolidated through the pursuit of prudent monetary and fiscal policies in the context of a flexible exchange rate regime.

In 2007, revenues were higher than programmed due to better collection of direct domestic taxes, reaching an amount of 16.4% of the GDP. In the medium term, the revenue effort as percentage of GDP is increasing. The IMF is confident that the Government of Mozambique will continue to increase domestic revenue by 0.5% of the GDP per year as presented in the Medium Term Fiscal Framework (MTFF). However, it is crucial that mega-projects start contributing more to tax revenue. The government is reviewing the package of fiscal exemptions offered to companies investing in Mozambique and is expected to introduce new fiscal regimes for the mining and petroleum sectors.

In terms of the Mozambican Government's budget, around two-third of the 2008 budget was allocated to priority sectors, and as a result it is expected that high spending on poverty alleviation projects will continue in 2008-2009, in line with the PARPA II, with a focus on meeting the MDGs.

A second PEFA Assessment started at the end of 2007 to verify progress achieved until the end of 2006. It must be noted that Mozambique is one of the first few countries that have conducted two PEFA assessments and therefore developing a robust basis for verification of reform progress over time. According to the study, significant improvements in the quality of **PFM** systems and processes have been achieved between 2004 and 2006. The most important improvements have come in cash management, payroll, procurement and internal controls, revenue collection and management and donor practices. Credibility of the budget, available information on resources received by primary service delivery units, Medium Term expenditure Framework (MTEF) and coordination between central management and sector level management, as well as internal and external audit capacity and consolidation of SISTAFE are areas that need to be further developed and improved.

The business environment is expected to improve gradually, in particular through the newly established fast track procedures aimed at reducing the period for enterprising licensing, and the introduction of a new labour law. However, constraints as the limited access to the sources of financing and the high costs of financial services continue to influence negatively the growth of the productive sector. The government is making efforts to use natural resources to help create the conditions for economic growth and poverty alleviation, but, managing these resources is complex and the government is facing serious constraints in the achievement of its objectives. In spite of this, the Mozambican government has expressed its commitment to abide by the provisions of the Extractive Industries Transparency Initiative.

The Mozambican Government approved a total of 192 projects worth eight billion US dollars in 2007, which represent an extraordinary increase compared to the previous year in which investment approved stood at just over 800 million dollars. The sectors of mineral resources, industry, agriculture and agro-industry and tourism received the largest volumes of investment proposals. Main challenges for the future concern the collection of fiscal revenues and competitiveness, particularly in the context of economic integration of the SADC region that foresees the establishment of a free trade area starting from 2008.

Agriculture is a priority area for Mozambique' economic development and is essential to reduce extreme poverty, according to PARPA II. It is also the main source of income for more than 78% of the population and contributes 27% to GDP. For 2007, agricultural growth is estimated at about 6.7 percent, less 3.3% lower than 2006. Three natural disasters affected the country in the last agricultural season: (i) drought in the south of the country (ii) floods in central river basins and (iii) tropical cyclone "Favio" in southern and central region, which along with heavy rains caused flash floods in the affected areas. Despite of that, food crops overall production was up by 3.4% in cereals, 0.6% for pulses and 8.1% for tuber. Adverse climatic conditions may be the cause for the decrease in cotton production (40.8%). Cashew nut production saw an increase of about 18.4%. Sugar cane production showed a slight decrease of 1.6% probably due to the erratic and lack of rainfall and subsequent pest attack.

In the energy sector, on 27 November 2007, Mozambique took over from Portugal the Hidroelectrica Cahora Bassa (HCB) which is Africa's second largest dam. About 80% of the produced electricity is currently exported to South Africa, Zimbabwe, Botswana, Swaziland (and soon to Malawi) generating annual revenues of about \$ 150 million. The shortage of electricity recently experienced in South Africa has strengthened the strategic role of the supply from Mozambique to the energy balance of the region. The resources for the transfer have been lent to the Mozambican government by a consortium formed by the French bank CA Lyon and the Portuguese Investment Bank. They will recoup the money from the sale of Cahora Bassa power. The government has pledged that no money from the Mozambican state budget will go towards paying this debt.

In terms of integration in the World Economy, Mozambique is a marginal world trading partner and its participation in multilateral trade issues has been very limited. Mozambique traditionally supports the position of regional groups like the ACP, African Union or SADC. The main issues at stake in the multilateral agenda (agriculture and non-agriculture market access) are not priorities for Mozambique as the country rightly perceives that their main difficulties lay in constraints of the supply-side rather than in pure market access. The main interest of Mozambique in the multilateral arena lay in the eventual benefits that the Least Developed Countries (LDC) could get and all issues related to Special and Differential Treatment that were agreed in the latest WTO Ministerial meeting in Hong Kong, December 2005.

Negotiations with the SADC EPA States produced an important outcome on 23rd November 2007 in Brussels, when Botswana, Lesotho, Mozambique, Swaziland and Namibia initialed an interim agreement with the EC covering a core area of trade and development provisions and setting out the agenda for completing a full EPA, as specified in the negotiation mandate to the EC by EU Member States in 2008. Mozambique will open up nearly 80% of its market to EU products from 01.01.08 and the remaining part will be liberalized in 2018. The impact of this opening is unknown, but the significant non-tariff barriers that the country has in trading with the world allows to foresee a limited impact in the short term. Besides, the main exports of the country are not in direct competition to the EU (aluminium, already exported to the EU in total, agricultural commodities, seafood products and minerals).

### **2.3 Social situation**

Overall, Mozambique may meet the MDG goals related to poverty, child mortality, maternal mortality, HIV-Aids and malaria, as long as efforts are consolidated and finances increased: other MDG goals, which are unlikely to be achieved, include hunger, education, water and sustainable development. The MDG table gives rise to the comments below:

Government data show continuing increases in access to services, and rural income survey data show that average household incomes have increased. Based on extrapolations of a few indicators, the Ministry of Planning and Development predicts a continuing fall in poverty. However, rural income inequality seems to be growing, and already high urban inequality persists, so fast growth may now have less of a poverty-reducing effect. The household survey, to be launched during 2008 should shed light in this area.

There is a wide variation in welfare outcomes by province. Rural poverty fell slightly faster than urban poverty, though rural poverty overall remains higher than urban poverty. The percentage of poor people in rural areas estimated at 55.2 percent, compared with 51.6 percent in urban areas. The different household access to services, goods, and assets helps explain the broader poverty outcomes. Mozambique has improved access to public services, though important variations remain between income groups, regions, and urban and rural areas<sup>1</sup>.

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<sup>1</sup> Beating the Odds: Sustaining inclusion in a growing economy, the World Bank's Poverty, Gender, and Social Assessment for Mozambique.-January 2008

Across Mozambique access to water and sanitation improved, benefiting both urban and rural areas, with little variation among consumption quintiles. Although more than 60 percent of the population remains without access to safe drinking water, the use of safe water increased by 13 percentage points nationally, the distance to a water source (sometimes unsafe water) decreased for most households, and an additional 10 percentage points of households benefited from improved sanitation, with the poorest quintile benefiting the most. Even so, households in rural areas have significantly less access to safe water and improved sanitation than those in urban areas.

The spread of HIV/AIDS is also an enormous threat to future growth and poverty reduction. Infection is driven by labour mobility, with the highest prevalence rates in provinces with transport corridors connecting Mozambique to neighbours with even higher rates. Urban areas are more likely to be affected because risky sexual behaviours are more common. Women are more likely to be affected—in Mozambique women aged 20–24 are four times more likely than men in the same age bracket to get infected. The spread and development of HIV/AIDS is expected to slow growth and increase poverty.

According to the 2007 sentinel figures the prevalence in 15-24 y/o women is down from 15.6% in 2004 (last sentinel data) to 11.3% in 2007. This is good news since it is a good proxy indicator for the incidence of new infection. There has also been progress on the sub-indicator to MDG 5, where the proportion of births attended by skilled staff has increased from 48.4% last year to 52% this year.

Finally, there has been general improvement from 2006 to 2007 in the education indicators as can be seen in the primary completion rate (33.7 to 47), and the ratio of girls to boys in primary education (PE1: 0.93 to 0.95). The drop in PE 1 enrolment rate is likely to be due to a change in the measurement of the denominator (total numbers eligible in the age group).

Despite some progress over the past two decades, gender inequality remains a central development challenge. Key findings of a WB study made in 2007, point out that single-female headed households (about 20% of households in Mozambique) are likely to be the most destitute (i.e. they fall within the 2 lowest quintiles). They generally suffer from two major types of shock: weather shocks (especially the rural poor) and disease shocks (e.g. HIV/AIDS). They have the least education, the lowest skills and are therefore likely to be jobless or stay in agriculture.

Overall the quality of data is good for surveys and sentinel sources, and is improving from being very poor in regards to routine data. The improvement in routine data quality is largely due to the agreement on a road map in health, computerisation of large parts of the process, and unification of all parties around one single annual evaluation centred around a Performance Assessment Framework (PAF), characterised by 40 indicators divided into five pillars, namely macroeconomics and poverty, governance, human capital, economic development and cross-cutting issues. The 3 years rolling PAF is agreed between the Government and the budget support partners (among which the EC Delegation) during the now well established annual process of reviews. The PAF indicators are selected from the strategic matrix of the PARPA II. Therefore, they are fully in line with Government priorities.

PAFs now also exist in most sectors, and the 2007 Census is likely to vastly improve the accuracy of population based indicators (practically all of the ones in the MDG table), such as proportions, rates and some ratios.

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<sup>2</sup> May 2008

<sup>3</sup> Chronic malnutrition is common and can present itself as anaemia, poor intellectual development etc, and is due to persistent food security. Stunting implies short for age, and is a severe result of chronic malnutrition. Acute malnutrition is due sudden severe food shortages (due to droughts, etc) and may result in marasmus, kwashiorkor, etc which can be life threatening.

In relation to reporting on MDG indicators, further coordinated support for the national institute of statistics (INE) for the implementation of the SEN Strategic Plan 2008-2012 (approved in August 2007) and its respective Plan of Action through a Common Fund (FC) is under discussion. Amongst other the aim is to gradually create the capacity to produce statistics in the districts and municipalities, that meets the needs of governance and of local and national development but also to improve the production of statistics, by using new technologies and methodologies, innovation, inter-institutional coordination, administrative records and reducing the burden of duplication between suppliers of data. Furthermore it should facilitate the planning and implementation of various population based surveys, which provide essential data for the measurement of certain MDG indicators such as the prevalence of underweight children, the under-five mortality rate but also the proportion of population with sustainable access to an improved water source.

### **Food Security Situation**

Food security has been relatively good in 2007 even if affected by the three shocks that hit Mozambique in 2007. The vulnerability assessment group identified 520.000 people as high food insecure compared to 200.000 in 2006 and 800.000 in 2005. Food security improved, since August, in the second season production, especially in the areas previously affected by the floods. According to a recent report from SETSAN<sup>2</sup>, acute food insecurity is the highest in the provinces in Sofala, Tete and Nampula reflecting the effects of natural catastrophes and limited response capacity; Zambezia, Tete and Maputo have the highest levels of chronic food insecurity, indicating poverty and structural problems of access to food.

The country can be considered auto sufficient for corn, cassava and beans but not for rice and wheat that are compensated by imports. The 2007 food balance sheet shows a global cereal deficit of 578 000 tons (for a total production of 3 millions tons) that was balanced by imports of cereals (commercial and food aid) but also from surplus of root crops, mainly cassava (722 000 tons). The good production in the North balanced partially the deficit in the South and Center, but the flow of food from surplus to deficit production areas stayed insufficient, mainly due to transportation constraints (high cost of transport and poor road access) preventing markets from functioning efficiently.

The high levels of poverty and the persistent nature and degree of food insecurity in the country have contributed to the poor nutrition indicators in children under the age of five years. The nutrition situation is characterized by large pockets of acute malnutrition (stunting) in children under five that ranges between 2.5 and 5%<sup>3</sup>.

Levels of chronic malnutrition in children under the age of 5 years continue to increase: 36% in 1997, 41% in 2003 and are currently at 46%, with vitamin A deficiency rates at 69% and levels of anemia at 75% (PARPA II). The challenge is to develop and implement viable strategies to improve food security at both the household and national levels. However, 2007 saw some improvement in this area, with the prevalence of stunting down from 6% last year to 4.6% this year, and the incidence of low birth weight down from 11.5% to 11.1%.

This high level of global malnutrition is another indicator of the poverty and the country still classified 171 out of 177 countries for the DHI of UNDP. It proves that Food security is a multisectoral issue and has not to be reduced just to food availability. The new National Food Security and Nutrition Strategy, approved by the Council of Ministers in October especially addresses the problem of chronic malnutrition. It has also greater focus on policy indicators, HIV/AIDS and gender, with more involvement of the decentralised administration.

### Chapter 3. Overview of past and current cooperation

Please refer to Annex D (EAMR Jan08) for a more descriptive presentation of EC cooperation (*details are provided below if the situation has evolved or if deemed of interest*)

#### 3. 1. Focal Sectors

##### General budget support

A total amount of around 340 M€ was committed during 2007 for general budget support in 2008 by the G19, out of which 46.5M€ come from the EC, representing about 14% of total GBS.

General budget support disbursement for 2007 under the ongoing PRBS III programme, was of 43.13 M€ in total (fixed tranche 25 M€, variable tranche 18.13 M€) was made in July 2007 (although 2<sup>nd</sup> semester instead of first as planned). The variable tranche for 2007 amounted to 18.13 M€, out of the maximum of 20 M€. This 9.3 % reduction was due to partial progress achieved by the health sector, where in 2006 the target for the number of HIV positive pregnant women and neonates receiving **PMTCT** prophylaxis was not met and the coverage rate **DTP3** and HepB 0-11 months registered only partial progress. It is worth mentioning that the contribution of the EC has increased in comparison to our forecasts of last year due to the strong appreciation of the Euro.

Such an amount represents about 15% of the total provision of general budget support for Mozambique by all donors in 2007. According to the Evaluation of the CSP 9<sup>th</sup> EDF (2007), GBS has a positive effect in increasing the proportion of public expenditure subject to the national budget, and it has furthermore contributed positively to macroeconomic management and has increased the volume of resources available (and made them more predictable) in the national budget, all this contributing to more transparency of public expenditure.

As part of its internal planning process and to provide a starting point for the preparation of the BS operations under the 10<sup>th</sup> EDF, the Delegation prepared a Budget Support Road Map at the end of 2007. The main purpose of this Road Map is to provide key information for the elaboration of our next general budget support programme, called MDG Contract. The MDG Contract will be characterized by longer term predictability (6 years horizon).

At the Mid-Year Review in September 2007, priorities for 2008 have been identified and the indicators and targets in the PAF matrix have been updated accordingly. Main challenges remain in the area of governance.

Particular attention should be also paid to the management of natural resources - gas, titanium and other mineral resources which are seen as a potential area for economic growth, but also forests and land which suffer from a poor enforcement of related laws.

The Joint Review in April 2008 assessed the performance of the Government in 2007. It concluded that out of the 41 indicators of the Governments' PAF matrix, for 23 indicators the targets were met, which corresponds to a performance of 56%. Main areas were summarised as follows:

Macroeconomics and Public Financial Management showed a positive performance, namely with a consolidated growth and progress in the areas of revenue collection, external audit and implementation of the procurement system. The pillar of economic development had in general a positive performance, though the agricultural sector did not meet its targets, which shows the difficulties of the sector in rendering basic agricultural services to the producers. In Governance, it was recommended that mechanisms for the collection and analysis of the information be improved. In the fight against corruption, implementation of measures should be speeded up. It was suggested by the G19 to redefine an independent supervising and monitoring mechanism of the Anti-corruption Strategy and that Mozambique ratifies International



Conventions, clarifying to courts how they may implement them. The human capital pillar showed good progress, with 6 out of 10 targets met in health and education, but worries remain with the spreading of HIV/AIDS pandemic.

### **Infrastructure sector**

Mozambique has one of the least developed Transport Infrastructure in the Southern African region: road density is estimated 0.05 kilometers per square kilometer. The present road network provides potential access to 41 percent of the rural population (measured as those living within two kilometers of any road in the network). Modernizing the infrastructure, in particular the roads remains essential priority for the Government in order to enhance physical access to jobs, health and education, private sector development and for developing opportunities coming from regional economic integration.

The railways network amounts to a total of 3,123 km. It has 22 airports with 4 having the runway above 2.438 km. Waterways amount to 460 km. Main capital investments in the road sector relates to the rehabilitation of vital links such as the completion of the north-south backbone EN 1 and 7 including the crossing of Zambezi at Caia (co-financed by EC, Italy and Sweden), and of the three transit corridors (Maputo, Beira and Nacala) giving access from the neighboring countries to the respective seaports of Mozambique. The major port concessions are operational, even if they operate at reduced capacity.

The road sector in particular is well articulated in the recently established Sector Wide Approach (2006) encompassing both capital investment and maintenance operations. Based on the innovative focus of the new Road Policy highlighting the support from the road network to the productive sectors of the country such as agriculture, trade, industry, energy and tourism, the following priorities have been considered essential in the Road Sector Strategy<sup>4</sup> (RSS) over the period up to 2011: completion of the priority links, increasing regional interconnectivity, providing more access to the rural population and having sustainable maintenance and asset preservation mechanisms in place. While the RSS takes into account a medium to long term perspective, however it includes 5-year horizon investment plans, reviewed and revised for implementation on a 3-year basis in PRISE, the Integrated Road Sector Programme approved in February 2007, which forecast an indicative cost estimate of over US \$ 1.0 billion encompassing both capital investment and maintenance.

The First Joint Annual Review of PRISE carried out in March 2008 pointed out the significant improvements achieved in 2007: 69 % of the classified network reached the “good and fair condition” against a planned target of 67%, which is in line with PARPA II objectives.

Consolidated figures for 2007 indicated an annual expenditure of US \$ 200 million for the sector, with almost 2/3 allocated to capital investment and more than 1/3 for maintenance. In this connection, a key element of the RSS and of the Strategic Maintenance Plan (SMP) has been the introduction of a Paved Road Management Program (PRMP), managed separately from the rest of the road network. SMP takes care of the 30 000 km of the classified roads and an additional 3000 km of urban roads.

Finally, a new Procurement Manual in line with the new Procurement Code was adopted, while the process of aligning road sector expenditures with SISTAFE and the State Budget has started. The review equally acknowledged the significant progress made in the restructuring of the road agencies and the recent steps undertaken by the Government to finally address, with the assistance of a specialized consultancy, the outstanding issue of VAT payments to road contractors. In this connection the provisions of Cotonou do not allow the EC to pay direct taxes, though other donors are beginning to follow this approach (World Bank).

There are ongoing discussions at the level of the G19 on the way forward on this issue.

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<sup>4</sup> Road Sector Strategy 2007-2011. Final Report. August 2006.

In order to be consistent with his commitment on Public Finance Management, the Government of Mozambique has agreed that funding to the sector will solely be provided under the state budget mechanisms and consistent with PRISE, but an orderly transition from the previous project approach to the innovative sector approach, accompanied by a steady increase in planning and supervisory capacity of the Roads Agencies (ANE and Road Fund) is required to make the new system fully operational.

Indeed, even if the Road Fund and ANE have established a comprehensive system and procedures for financial management, accounting, reporting and audit, further Capacity Building Programmes and dedicated Technical Assistance mechanisms are still required to implement PRISE at least up to the completion of the medium term, taking into account the size of the country (about 800.000 km<sup>2</sup>) and the consequent spreading of the road network.

In this connection, the objectives of the 9<sup>th</sup> and 10<sup>th</sup> EDF support in Road Transport Infrastructure which focus both on the completion of priority capital investments and on the increased sustainability of the Road system in Mozambique are consistent and indeed well integrated both with the specific sector priorities as well as with the national effort to poverty reduction by increasing the access of the rural population to public services, markets and job opportunities, while promoting socioeconomic growth.

Over 2007 the current EDF portfolio of active projects in the Infrastructure sector reached a value over € 300 million with € 160 million related to transport infrastructure while substantial progress was reached regarding the implementation of the main capital investments operations.

The construction of the Zambezi Bridge at Caia (9 ACP MOZ 14) progressed broadly in accordance with the work plan in spite of the delays related to floods affecting the construction site in January and February 2007. The revised completion date and opening to the traffic for this vital infrastructure linking the North to the South of Mozambique is now estimated for August 2009.

Lot 3 (106 km) of Namacurra - Rio Ligonha road rehabilitation (9 ACP MOZ 1) was completed satisfactorily in December, but in Lots 1 (152 km) and Lots 2 (117 km) works remained significantly delayed. Nevertheless, following the intervention of an independent expert, it has been possible to reach a mutually satisfactory settlement of the outstanding claims with the Contractor at no additional cost for the project budget in view of the completion of at least the priority missing works.

In addition two new Financing Agreements on "Feasibility Study and Detailed Design of the Beira to Machipanda Road" (9 ACP MOZ 33 € 1,600 million) and "Road Maintenance and Capacity Building" (9 ACP MOZ 32 € 12,160 million) were signed on occasion of the Regional Seminar in November. In this connection the request for the release of the first € 4.5 million of SBS to the road sector will be processed during the second half of 2008, in connection with the evaluation of the completion phase of "Road Periodic Maintenance and Capacity Building (9ACP MOZ 02). This is in line with the main recommendations of the Evaluation of the 9<sup>th</sup> EDF, namely that emphasis should pass to lower category roads (with little traffic) and to maintenance (still with major periodic backlog). After the rehabilitation of the Maputo and Nacala corridors, the road rehabilitation of Beira corridor i.e. Beira-Machipanda, as part of the Beira-Lobito corridor, is considered a forthcoming priority of the Government to be achieved in the medium term after the completion of the EDF financed feasibility study and detailed design.

Meanwhile there are urgent expectations regarding the forthcoming 10<sup>th</sup> EDF financing for the upgrading of the Milange-Mocuba, finally interconnecting to the national network the growing traffic-flow coming from Malawi and Zambia as part of the regional interconnectedness (to be started in March 2009).

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<sup>5</sup> Sentinel survey 2007

<sup>6</sup> European Initiative for Democracy and Human Rights.

Mainstreaming issues (gender, environmental impact and, HIV/AIDS) as well as the overarching objective of poverty reduction are regularly taken into consideration both at the design and implementation stage of road works projects by optimizing the proper integration of road network with urban development priorities of the connected towns.

In this connection with the priority works along the strategic North South backbone and the strategic road axes (i.e. Maputo, Beira, Quelimane and Nacala corridors) substantial progress was achieved during 2007 through the successful launching of the € 75.5 million Maputo Water Supply Project co-financed with EIB ADF, ORET through the Water Facility and of € 52.95 million Beira Sanitation Project (9ACP MOZ 18).

The EC overarching objective of poverty reduction in infrastructure encompasses both rural and urban development as the road network completion actually increase the access to job and social services in the towns from the rural population. However this also brings as a consequence a parallel increase in population pressure on the existing and often obsolete water and sanitation infrastructure of these towns which require rehabilitation and upgrading. Similarly to the road sector there is also in the water sector the need to increase the provision of capacity building and dedicated technical assistance in order to strengthen the national and local water authorities who are often submerged by competing urgencies and priorities both of operational and financial nature. In addition as these infrastructure projects relate to important towns of Mozambique like the capital Maputo and Beira obviously the Government follows closely the implementation of the EDF projects and gives regular emphasis to progress achieved in the sector.

### **Agriculture**

The government has concentrated its efforts on activities related to agricultural development. Challenges remaining as the Joint Review Process demonstrated that, the delivery of core services in 2006 was, in some cases, below the targets, but progress in some indicators was considered as encouraging. The evaluation of PROAGRI I concluded that the institutional strengthening of MINAG was a real success during the first phase of PROAGRI; however, impact at field level can still be improved through the provision of better services to the farmers. During 2007, the need to update the sector policy became clear. Being one of the main actors in poverty reduction, efforts must be deployed in order to elaborate MINAG's strategy that ensure the results and impact at point of delivery.

Although the first sector strategy provided positively impact on local level resource allocation and on capacity development; unfortunately that did not sustain efficiency in the wider frame of public reforms, resulting in the loss of scarce technical and human resources by MINAG services. EC included an envelope of 3.0 mio euros for complementary support to Proagri II Program (9.ACP.MOZ.029) ensuring funding on Capacity Development for 2008, 2009 and 2010.

Territorial decentralisation imposes new challenges to key Ministries, with the new responsibilities and funds attributed to the district Government. MINAG is looking where and how their public services could perform those tasks which can not be performed effectively at a more immediate or local level. But with unclear attribution and distribution of competences and responsibilities at local level, sector ministries fail to have endorsed proper expenditure responsibility, or to have support from the Ministry of Finance, Planning (MF) or State Administration (MAE) in aligning sectoral reforms, which most were part of the Public Sector Reform (PSR).

Because MINAG efforts were initially focussed on improving existing services rather than securing any political commitment to a wider decentralisation process, EC launched a study lead by MINAG, and with consultation with MAE and MPD, in order to review the institutional experience of the decentralization of the agrarian public services in Mozambique, specially to identify the threats and opportunities MINAG faces in response to the implementation of recent political decisions regarding agriculture (Green revolution).

The Support to Proagri II Programme (9.ACP.MOZ.029) will ensure funding to the sector (through sector budget support) for 2007, 2008 and 2009, but a rider to extend the duration of the programme by one year has been prepared, while the 10<sup>th</sup> EDF support programme will have a wider scope on rural development. The proposed rider will introduce the concept of the variable tranche: now that the PAF is considered as a satisfying tool, this mechanism could be an incentive that could link a defined set of indicators to sectoral performance, reflecting additionality in terms of public expenditures and results.

Following agreement with the German Cooperation Bank (KfW), the Province of Inhambane and the NAO, the component of the Rural Development Programme (€30 M, 8.ACP.MOZ.018) in support to district planning was implemented through a contribution agreement with UNICEF. Funds were used (€2 M) to support the education and health district plans in Inhambane Province. The action was timely concluded in 2007.

As to mainstreaming issues, the formulation of gender indicators was finalized with the department of planning and inserted in the monitoring and evaluation system of MINAG, a strategic Sectoral Plan (2006-2010) for orientation and implementation of actions to combat HIV/SIDA has been designed and is under implementation.

### **3.2 . Projects and programmes outside the focal sectors,**

#### **Food security and agriculture** (financed from FSBL):

Main achievements (not including SBS, see above) have been to support both the Ministry of Industry and Commerce, and the National Institute of Meteorology. The EC continued support to the reform of the **Ministry of Industry and Commerce (MIC)**, through the on-going MAFSP, was justified by the economic development needs, taking into consideration the objectives of poverty reduction as defined in PARPA II.

Although commerce is not represented as such in PARPA, the importance of the sector is quite relevant given the weight of trade in the country's GDP and employment. The sector is represented in PARPA through the pillar 'Economic Development, which is reflected in the two strategic vectors: i) improvement of the country's participation in the regional and international economy; and ii) promoting the integration and consolidation of the national market. MIC has made some progress in several areas, in particular as regards the external oriented reforms, aiming at improving the provision of services to the economic operators and the public in general. Despite the achievements in the implementation of MIC's institutional reforms, they are still to be concluded, due, in great part, to the slow path of the broader reform in the public sector in general.

The Instituto Nacional de Metereologia (**INAM**) follows a development strategy defined up to 2010. The government is committed to consolidate INAM's role to further improve the services. Contributions from the EC through the Foreign Exchange Facility to strengthen INAM's capacity complemented the already significant level of investments done by other international donors to introduce modern technology towards the integration of INAM into the regional network of meteorological services. EC contribution to INAM targets mostly its institutional capacity. Emphasis is given to the human resources reform that encourages not only early retirement but the increased level of expected technical and scientific capacity for the efficient use of the new technology and modern services provided by INAM, including training and scholarships.

#### **Health and HIV-Aids**

The Ministry of health defined three priorities in its Health Sector Strategic Plan (2007-2012) (PESS<sup>i</sup>): 1) the development of human resource capacity; 2) improvement of health care infrastructure; and 3) increased community engagement and expansion of training and deployment of community health workers. The lack of human resource capacity has been defined as one of the greatest barriers to overall health sector delivery, and is also a major constraint to disease specific targets such as reducing malaria, tuberculosis, HIV/AIDS

and maternal, infant and child mortality. Mozambique has one of the lowest health worker densities in Africa, with less than 0.3 health workers per 1000 population. A new human resources development plan is under preparation to address the lack of staff both in terms of quality and quantity. The plan is meant to be ambitious and its implementation will require additional (financial) support from donors. Indeed, it is only with a increased human resource capacity that quality of health services can further effectively be improved.

The joint review of performance of the health sector in 2007 considered. There was a positive evolution of the indicators of the Malaria Control Programme, the Expanded Vaccination Programme (PAV) and the expansion of Anti-Retroviral treatment, notably the percentage of women receiving ARV prophylaxis.. However, the target of paediatric ARVT was not achieved. Good progress was also noted in financial management of the sector. Late disbursements of some donors was observed, causing some activities to be postponed, notably related to training of staff or purchase of equipment. This had its impact on performance. To buffer in the course of the year a considerable increase of the execution of MISAU's current expenditure to replace non-disbursed external funds was observed.

Whilst good progress has been made in terms of donor coordination, with 14 development partners currently contributing to a pooled funding mechanism for the health sector (PROSAUDE), which provides funding on budget and on plan and against a single agreed performance plan for the sector, a significant proportion of health, especially HIV/AIDS related, aid, is still channeled according to donor defined priorities and through non governmental organizations. A new memorandum of understanding for a coordinated financing mechanism for support to the sector, using budget support, is under discussion, to be signed in 2008. This is in line with the implementation of the Paris Declaration as it will enable total alignment of the signatories of the new MoU with government budget cycle and its public financial management procedures.

In terms of a specific EC project in the health sector, 8ACPMOZ33, the financing agreement was amended, its duration extending to December 2009. The GTZ contract and the 2<sup>nd</sup> programme estimate were extended as a consequence. In relation to the equipment under that project, the tender dossier was prepared during the year, it needed to be revised and extended in order to reach the allocated value of 2 M€.

HIV/AIDS remains one of the greatest threats to Mozambique's development. It is estimated that more than one and half million persons are infected with HIV and the national HIV prevalence is recently estimated to be at least 16 % in people over the age of 15 years, with the highest prevalence in the provinces of the south (21%), these provinces showing a dramatic increase in prevalence rate since the last surveillance done in 2004<sup>5</sup>.

The strategic plan for the national multi-sectoral response to HIV/AIDS has been reviewed and revised to take into consideration the changing epidemiology of HIV/AIDS and the introduction of new strategies for prevention, control and treatment. Much of the effort will be directed at prevention and mitigation of the impact of HIV/AIDS at the household and national levels. Programs have been developed to scale up access to Voluntary Counselling and Testing (VCT) and Antiretroviral Therapy (ART) with a particular emphasis on access to pediatric ART (see annex a) E on other instruments).

A study has been undertaken - further to the recommendations of the 9<sup>th</sup> EDF evaluation - that will form the basis of a mainstreaming strategy of HiV-Aids across all sectors.

#### **Other infrastructure projects (health)**

The TA under the contract with GTZ for the departments of construction and planning started his activity in early 2007 and he is still in place until end of 2008. This will ensure a proper follow-up of the infrastructure projects financed by EDF and a good coordination mechanism of other Donors in this sector.

Two Rural Hospital and three Health Centres were completed under the 7.MOZ.077 and 8.MOZ.033. Further construction works of 14 Health centres in the peripheral network of the province of Zambezia is

ongoing. The supply of equipment under the 8ACPMOZ33 for those facilities will contribute to satisfactorily reach the target.

The construction of the new Rural Hospital in Manhiça, province of Maputo, will start mid 2008 and will be complete in 2009. This upgrading exercise of the current health centre to hospital status will facilitate the access to health services to poor rural people in the most populated province of Mozambique.

The remaining funds in 8ACPMOZ33 will be most probably addressed to the rehabilitation of the Rural Hospital in Gile in the province of Zambezia and it is expected the construction works will start in 2008.

### **Judiciary**

In the year under review an increase in the handling of proceedings was reported, two important laws for the reform of the administration of Justice were passed and the law creating the National Human Rights Commission was submitted to the parliament for discussion and approval. The development partners expressed concern about the lack of trials of corruption cases in 2006 and 2007. There were signs of progress in the formulation of the sector Integrated Strategic Plan, pending since 2004. As noted in previous JARs, from the EDF programming point of view, the absence of a sector plan leaves to external contributions little choice for other than the project modality with all the known limitations respective the impact and sustainability effects. During the MYR 2007 in September, it was noted that the dialogue on governance issues continues systematically incipient and the need to be improved was noted by all parties.

Since 2005, the EC used the justice sector coordination mechanism in place (Conselho de Coordenação da Legalidade e Justiça), as the Steering Committee for the “Supporting Citizens Access to Justice” Project (MOZ 11 project), supported it financially at central and decentralized level in the project pilot areas and encouraged the sector leadership to continue coordinating policies and programming. After its abolition in June 2007, the justice sector institutions are seeking an alternative form of sector coordination arrangement, to be used also by the project.

The mentioned project is in the third year of implementation. The Ministry of Justice is leading the implementation applying a new approach to five project pilot districts, according to which, all core justice services are located in the same compound with the immediate objective to increase accessibility and quality of the services and with the longer term perspective to create a new functional justice administration model in the remote areas.

With respect to the dialogue between development partners and the Government, the EC, in April 2007, after having chaired the Justice Sector working group for two years has passed the chair over to the Netherlands.

### **Human rights**

In the context of EIDHR<sup>6</sup>, EC continued in 2007 providing support for strengthening of civil society, human rights action, voter and civic education and freedom of expression of the independent media. The Delegation will continue seeking complementarity between the projects funded through EIDHR and those of EDF as well as those funded by other international partners to increase aid efficiency in this field.

In the context of the political dialogue foreseen in Cotonou, the EU and the Government had in 2007 the opportunity to exchange views related to human rights reporting obligations and the annual human rights report of the EU. As indicated in the 9<sup>th</sup> EDF CSP evaluation report, there is strong support for human rights in Mozambique but in practice, their enforcement in the judicial and police system needs to be strengthened.

### **EPA & regional cooperation**

After four years of bilateral negotiations of the Economic Partnership Agreements (EPAs) with six ACP groupings of ACP countries, an Interim- EPA (I-EPA) was initialled in Brussels on 23<sup>rd</sup> November 2007 between the EU and Mozambique, Botswana, Swaziland, and Lesotho (Namibia initialled on 12<sup>th</sup> December

2007; South Africa and Angola decided not to initial the agreement).

During 2007, Mozambique prepared its final market- access offer for the I-EPA that was well received and accepted by the EU, containing an estimated 80% of liberalization effort to the existing bilateral trade flows. For assisting in the preparation of this offer, the EC supported the Ministry of Industry & Commerce with a regional trade- related technical assistance project (SADC EPA Capacity Building; Project – No. 152 of 08.ACP.TPS.110); a support that ended after the I-EPA was initialled. The I-EPA foresees the continuation of the negotiation process in 2008 for the conclusion of full EPAs by the end of 2008, which should include additional chapter to the trade- in- goods agreement already concluded (i.e. services & investment, as well as other trade- related rules).

### **Private Sector**

Overall progress in private sector development issues during 2007 demonstrated a need for more substantial improvements. Progress is related to the fact that a new Commercial Code was approved, the Regulation for Commercial and Industrial Activities was passed and a new labour law was also approved. The existing dialogue between the Government and the private sector representatives should be more results- oriented in order to bring timely and relevant reforms.

9<sup>th</sup> EDF funds have been allocated to a new joint EC-UNIDO intervention on private sector and trade in Mozambique, identified in 2007, the Business Environment Support and Trade Facilitation project, with specific consideration of the challenges ahead that Mozambique will face once the EPA enters into force. BESTF will receive € 5.75 M from the EC and € 0.9 M from UNIDO in an intervention directed to promote export- led growth by alleviating trade-related and private sector constraints affecting the business environment, strengthening foreign trade capabilities of companies registered in Mozambique, as well as improving the investment climate of the country. The specific objectives of the project are (i) to create and enhance access to, and increase the delivery and quality of available services in the area of metrology, standardization, and certification by organising and strengthening existing institutions to deliver those services (cluster area QUALITY); (ii) to enhance the availability, access and quality of information and advisory services (including training) needed by exporters and investors by improving the service delivery of existing institutions (cluster area INFORMATION & ADVISORY SERVICES); and, (iii) to reduce the time and costs associated with import and export operations (cluster area TRADE FACILITATION).

### **TCF I and II**

This instrument makes available medium and short term consultants for providing support to the main projects and programmes and ensuring the effective implementation of NIP, supporting training and short term training activities for ACP staff and participation of ACP staff or non-State actors in international meetings or seminars on development or commercial issues. In 2007, the operations launched in the context of TCF I (1 M€) were a TA to support in the evaluation of projects of the Energy Facility and another TA to the Water Directorate of the relevant Ministry.

Taking into account the high absorption rate of this facility, a second TCF amounting to €2 M was prepared and signed in November 2006. Four contracts have been signed: TA in the framework of water and energy, to support a study coordinated by UNDP on a civil society index, the development of a GBS Roadmap (MDG contract) and an audit to a programme estimate (ZAMWAT).

### **PALOP/Timor Leste Cooperation programme**

Further to the Memorandum of Understanding signed in 2007 between the EC and the PALOP/Timor Leste countries on the “PALOP Governance Initiative” (33.1 M€), an agreement was reached in the meeting in Luanda in May 2008 on a political declaration, on Guidelines for the implementation of cooperation in the context of the 10<sup>th</sup> EDF, a matrix of projects and delegated NAOs, implementation modalities, and an indicative timetable for identification and formulation of the projects.

The NAO Mozambique has been the RAO Mozambique since January 2006 (currently the PALOP/Timor Leste coordinator), managing thus TCF II PALOP. In the context of 10<sup>th</sup> EDF programming, a preparatory meeting at technical level took place in Brussels 8-9 April, the EC-NAO meeting in Luanda 6-7 May 2008, and a Mission to Timor-Leste, to introduce the PALOP programme to the local authorities, financed by PE1. The PE 1 with a 12 month duration was signed in October 2007. An extraordinary payment for the replenishment of the account of up to 80% of the advance was allowed for, so that the dialogue at political level amongst NAOs and programming for the 10<sup>th</sup> EDF could continue, though financial reporting on the advance was still pending.

In what regards current projects, it should be highlighted that 4 projects were approved last year financed by the 9<sup>th</sup> EDF:

Statistics II (Chef de File São Tome e Principe; 2 M€): The general objective is to contribute to the improvement of statistical data, through training, the adoption of common methodologies, the set up of a network of information systems, and institutional strengthening. The start-up programme estimate is in place July 2008, the support personnel recruited, and the request for a support mission to the first Steering Committee has been made so that the workplan will be elaborated then.

Employment and vocational training (Chef de File Cape Verde; 4.7 M €): it identifies several actions to support the integration of employment and decent work in the poverty reduction strategies and other development strategies. Building institutional capacity to beneficiary institutions and mainstreaming labour capacity in PALOP countries are the main issues to be undertaken. The project will focus on creating a professional training system with high and dynamic competitiveness and productivity.

Cultural Initiatives (Chef de File Guine-Bissau; 3 M€): the project intends to support socio-economic and cultural development, though the protection, valorisation and promotion of cultural heritage in the PALOP countries. The tender for the service contract of the management programme unit in support of cultural initiatives has been launched.

Development of Human Resources for Health (Chef de File Angola, 10M€)

The project aims at improving the health state of the population through the improvement of quality of health services. A contribution agreement is to be signed with WHO in Geneva. The international restricted tender for the project management unit has been launched.

Besides, projects on support to public administration, justice and statistics (I) are ongoing and ongoing activities will be finalised/finalized 2008-2009.

As to programming of the 10<sup>th</sup> EDF, four identification studies will be launched by the delegations chef de file of each project with the support of the delegation in Mozambique (Institutional support and consolidation of rule of law; Support to improvement of quality and accessibility of public services; Good economic governance and development of private sector; Macroeconomic Institute). The management of this process (sub-delegation letters; CRIS & OLAS authorisations) is currently ongoing. UNDP/EC Task Force will prepare the study for the electoral assistance study. Technical Cooperation Facility III will be prepared by the GON/Coordinator Mozambique and EC delegation.

As to the PALOP implementation modalities for the 10<sup>th</sup> EDF, given that each project will be financed by contributions from the PALOP allocation in the six NIPs in proportion to their overall allocation, and that projects must be included as "action fiches" in the country's Annual Action Plan (AAP), delays may eventually be expected in the approval of the projects under the PALOP Governance Initiative.



### **3.3 Non State Actors**

In 2007, regrettably, it was not been possible to start the implementation of the Support to NSA project (9 ACP MOZ 20). In February 2008, the National Authorising Office who is in charge of this project, confirmed that the contracting of technical assistance for the preparation of the call of proposals could go ahead since the constrain related to the payment of the VAT to the contactors for the supplies and services contracts which will be signed under this project has been dissipated. In 2008, the NAO and the Delegation will join efforts to achieve the signature of all the contracts within the implementation period that ends in April 2009.

The concept note for support to benefit from funds under the new thematic programme "Non State Actors and Local Authorities in development" was approved by the Commission, Member States and European Parliament. Mozambique civil society organisations and local authorities will be able to access grants to a total amount of € 3 M in 2008.

### **3.4 Use of B envelope**

Following the floods in the Zambezia valley early 2007, € 3 M was mobilised from the B envelope for emergency response (ECHO/MOZ/EDF/2007/1000). These funds financed health, water and sanitation as well as education related actions by a variety of actors in the resettlement centres in the districts of Morrumbala and Mopeia (Zambezia province), Mutarara (Tete province), Caia and Marromeu (Sofala province).

Rural roads projects have been (almost) completed albeit with some delays for implementation due to the limited local capacity of the sector in the province ( 9 ACP MOZ 12 - Cyclone roads reconstruction in five provinces of Inhambane, Nampula, Sofala, Zambezia and Cabo Delgado and 8 ACP MOZ 18 – Rural Development Project, small structures in Zambezia province). Substantial progress has been made on the rural bridge component of the project.

### **3.5 Other instruments**

Other instruments are presented in detail in Annex E. Those interventions include:

- Global Fund against AIDS, TB and malaria (GF)
- Regional cooperation, namely transport infrastructure financed with the support of RIP SADC funds (“the Beira Corridor”);
- Stabex funds, where the implementation modality envisaged is sector budget support to complement support to PROAGRI;
- Sugar accompanying Measures;
- Water and energy, namely progress on the 9<sup>th</sup> EDF Initiatives;
- Fisheries Agreement;
- Thematic budget lines, including human rights, co-financing, health and demining;
- European Investment Bank, with an important portfolio in Mozambique;
- PALOP, cooperation programme of Portuguese speaking countries.

### **3.6 Humanitarian aid**

Following floods in the Zambezi valley and cyclone Fabio in early 2007, €2 million (ECHO/MOZ/BUD/2007/01000) and € 2 million (ECHO/MOZ/BUD/2007/02000) respectively were mobilized from the Humanitarian aid budget. These funds financed food aid, food security, nutrition, health, water and sanitation, provision of non-food items, shelter and education for children.

Later in the year meetings were held with partners for preparing the first DIPECHO (Disaster Preparedness Action Plan) for Southern Africa scheduled to be launched in 2008. Within the context of the overall country strategy, the disaster preparedness component proposed actions which are only the first step in the LLRD chain.

## Chapter 4. Policy coherence for development

### **Trade**

The concept of the Economic Partnership Agreements (EPAs) as laid down in the Cotonou Agreement contained already a development dimension that made these agreements more ambitious than a typical free- trade agreement. The key elements of this development dimension of the EPAs are those related to the economic governance gains that are attached to the classic market access aspects of any free trade agreements. The EC believes that by just maintaining -- or improving, when possible -- market access to the EU market to ACP's exports, the expected export- led development will not happen. For this reason, new- generation trade- related issues were brought to the negotiating agenda, namely: trade in services, investment and competition policies, and government procurement.

The development policy framework in Mozambique, consequently, acknowledged these challenges and identified critical areas where adjustments are needed to adapt to a new reciprocal trade relationship with eventual impacts on its customs revenue and its competition from EU products. Consequently a set of instruments (budget support, infrastructures' improvements and specific supply-side development projects) have been aligned at the national level to respond to these new challenges. At the regional level too, critical areas have been identified through the Regional Preparatory Task Force attached to the EPA negotiations to face the regional challenges. The most specific example of this coherence effort at the national level is the new Business Environment Support and Trade Facilitation project (to start implementation in 2008, see below).

### **Environment and Climate Change**

In Mozambique, the most important natural resources for the poor rural communities' livelihood are land, forests, mineral resources, water, and fisheries. Although under direct management responsibility of different Ministries, MICOA is responsible for coordinating and promoting a correct planning and sustainable use of the natural resources, while assuring the access and rights of the local communities. This Ministry prepared several environment related policy/legislation that were approved in 2007.

In July, the National Strategy for Sustainable Development was approved by the Council of Ministries. It is a comprehensive plan presenting a common vision that encompasses all sectors, identifies the main environmental challenges (biodiversity protection and climate change) and defines the roles of the different stakeholders.

The Policy and the Law for Territorial Planning (LTO) was also approved. It aims to reconcile various sector interests, and define land use according to its productive potential. Although there is little evidence of serious land conflicts in rural areas, (only 12% of the arable land is cultivated and there are few commercial operations), this law was a priority considering rapid population growth and the large numbers of private investors expressing an interest in projects that require extensive land holdings (eg, bio-fuels). For rural communities, compliance with the LTO will make possible the sub-division of land, legally attributed, according to its potential use (housing, agriculture, livestock, natural resources), creating incentives for a more settled farming system. Integration of territorial planning in the decentralisation planning is also under MICOA's responsibility.

Land and Forestry are under the direct management of MINAG. In 2007, the 2002 Land Law was amended to harmonise community applications for land title with those of private investors, meaning that requests of above 10,000 Ha will henceforth also have to be approved by the Council of Ministers, and the community will have to demonstrate they are using the land productively.

Regarding the forestry sub sector, illegal logging linked to illicit exports has been a major problem. The Government is concerned with the situation, and has had some success in detecting and prosecuting illegal loggers. Nevertheless, due to the increasing number of operators and the demand for timber from external markets, measures to combat illegal logging need to be intensified, and forest governance improved. The Government has expressed an interest in entering in FLEG (Forest Law Enforcement and Governance) agreements in order to strengthen forest law enforcement and governance.

During 2007, the Government demonstrated efforts with land erosion and uncontrolled bush fires, approving the respective Action Plans, in the Council of Ministers in December. Meanwhile, around the same time, concerted efforts were done to deal with a wider list of problems that have a major impact on the environment and climate, and addressing the list of future and present challenges in the Action Plan for Climatic Change Adaptation (NAPA), approved by the Council of Ministers. The plan foresees four main actions: (i) strengthening the early warning system, (ii) strengthening farmers' capacities to deal with the climate changes, (iii) reducing the impact of climate changes in the coastal areas and (iv) water resources management in the context of climate change.

The various Action Plans prepared by the government during 2007 show that Mozambique has a comprehensive policy framework that seeks to mainstream sustainable environmental management, encouraging coordination between sectors and seeks to link poverty reduction with environment protection. The challenge is in the implementation, which is constrained by limited financial and human resources, a large land area to manage.

Over 50% of the EC cooperation with Mozambique is channeled through sector and general budget support. As a result, there are limited opportunities for engaging directly with actions that address environmental issues. However, through the PAP framework, the EC works with the Government and other stakeholders to ensure that the environment is mainstreamed in the relevant sector plans and national policies.

Many interventions that fall under two of the three focal areas for EC cooperation - agriculture and infrastructure – might have a more direct impact on the environment. To take this into account, the policy dialogue with MINAG on Land and Forestry in the framework of PROAGRI was intensified, so as to ensure that the Ministry's capacity to improve forest law enforcement and governance could be attained, in line with the best practices for forestry management. EC support to the Sugar Adaptation Plan, which has the specific objective of increasing the cane production from smallholders, will also be implemented in compliance with the existing national laws and regulations. Still on the agriculture, the Delegation was involved in promoting the EU policy on bio-energy and, in particular, on the sustainability criteria that agri-fuels eventually produced in Mozambique will have to comply in order to account for the EU targets for the use of renewable energy.

Investments in road infrastructure implemented through project modalities (e.g. the upgrading of the Milange Mocuba road) have also been subject to EIAs.

With regard to fisheries, the EC and Mozambique concluded a six years Fisheries Partnership Agreement (01.01.2007-31.12.2011) with a financial contribution of 900.000euros/year. 100% of this financial contribution will be devoted to the support of the Mozambican fisheries policy, taking into account their priorities defined in their Strategic Documents (PARPA, Social and economic Plan, Fisheries Master plan, ...). A sectoral matrix of interventions, agreed both by the EC and Mozambique, will be implemented during the six years.

#### Employment and vocational training

Most of developing countries are concerned about becoming less competitive and the fast growing of their informal economy. These are key constraints for employment and social policy based on effective

application of labour standards in these countries. The EU is increasingly integrating employment and social aspects into its dialogue, cooperation and trade relations at regional and national policy dialogue. Following Community initiatives to promote better working and social conditions, the Employment and Professional Training Project of the PIR PALOP II, funded by the EC to all PALOP countries (RIP PALOP II), identifies several actions to support the integration of employment and decent work in the poverty reduction strategies and other development strategies. Building institutional capacity to beneficiary institutions and mainstreaming labour capacity in PALOP countries are the main issues to be undertaken. The project will focus on creating a professional training system with high and dynamic competitiveness and productivity.

### **Chapter 5. Joint EU-Africa Strategy**

In the AAP 2008, the EC Delegation in Mozambique is strongly committed towards the priority actions related to the MDGs foreseen by the Africa-EU Partnership. In this regard, under the 10th EDF a total amount of € 300 M in the form of general budget support will be provided to GoM through a new instrument, called MDG Contract, during the 6 year period of 2009-2014. The MDG Contract is mainly characterized by longer term predictability.

The regional focus of the 10th EDF CSP/NIP on transport infrastructure and in particular the proposed rehabilitation and upgrading of the Beira Corridor is fully aligned with the scope of the EU-Infrastructure Partnership. In this connection, preliminary contacts have been held in 2007 with the EIB Regional office in Pretoria to explore the financial feasibility of the proposed increase of dredging capacity of the seaport in Beira. The successful response given by Mozambique to the Energy Facility in 2007 resulted in strengthening the partnership with the Ministry of Energy, Electricity of Mozambique and FUNAE in view of intensifying cooperation in the sector.

Regarding the two Partnerships on Peace and Security and on Democratic Governance and Human Rights, an identification mission for potential support to the security sector of Mozambique will be launched in 2008. The objective of the program will be to support the policy of internal security as defined in the PRSP II focusing at crime combating and prevention, strengthening of the criminal justice system and effective law enforcement and overall qualitative improvement of internal security services.

For the AAP 2009, Partnerships and Priority Actions of the EU-Africa Action Plan will be further reinforced namely on both Peace and Security and Democratic Governance and Human Rights, through the approval of a governance programme. The Trade and Regional integration will be fostered also through road sector budget support, that aims at supporting in line with the integrated programme of the road sector that aims at establishing an appropriate, well managed, cost-effective and sustainable road network in Mozambique, which will enhance accessibility to markets and social services for the country's population. Private sector development will also be fostered.

### **Chapter 6. Donor coordination and harmonization**

Interaction with other donors, including EU Member States, is comprehensive and regular and takes place mainly through the participation in the different sectors working groups (more than 20!). Participation in such groups to improve coordination and harmonisation has become a major activity of the Delegation operational staff and is still quite heavy in terms of transaction costs. The EC Delegation had coordination responsibilities in 2007 namely in the health, justice, audit and agriculture working groups.

The group of 19 donors providing budget support to the Government of Mozambique (Programme Aid Partners), has increasingly become the main forum for policy dialogue between Government and donors, meeting at various levels. The EC Delegation plays a proactive role in the scheme, as a permanent member of the Troika+ steering group as part of different working groups. This harmonization framework is quite advanced and may be considered as a case of best practice. Both partners – donors and Government - agreed to have an annual external assessment of their own performance in terms of their commitments.

In what regards coordination and alignment at sector level a more detailed description of coordination among donors in Mozambique is available in annex a) D, but the following should be stressed:

Road Sector: the EC chaired the working group for the past 2 years. Results of this work led to the formalization of PRISE, the Integrated Road Sector Programme, and of its three years rolling Programme Implementation Plan (PIP) covering 2007-2009, which is the new sector approach where the donors have in principle committed themselves to finance with about \$ 700 million out of an indicative amount of over \$ 1 billion. PRISE contains a Performance Assessment Framework (PAF), composed of 21 indicators. Furthermore a Memorandum of Understanding (MOU) and a Donors Code of Conduct are under finalisation. The latter includes key provisions related to alignment and harmonisation, and more specifically the reduction of transaction costs, improving predictability, increasing the use of the Government system and strengthening joint consultation and review mechanisms. Donors who have committed themselves in aligning their assistance to PRISE and in providing Sector Budget Support (SBS) are the World Bank, African Development Bank (AfDB), DFID and EC. Other donors present in the sector have either expressed a potential interest to provide SBS or, in any case, to align them to the PRISE.

Agriculture sector: the EC will stay as a permanent co-chair of the donors' working group, given its strong financial support and its involvement providing sector budget support in the context of the new MoU of Proagri II;

Health sector: the EC took over as focal donor in November 2006. Clearer coordination structures with a delineation of responsibilities were established. As a result the health sector partners group (HPG) now has commonly agreed upon Terms of Reference. The Ministry of Health and partners have furthermore agreed on the principle of performance based funding for the implementation of the health sector strategic plan from 2008 onwards. A new Memorandum of Understanding has been developed in that light, outlining a system of joint financing based on this principle and ensuring greater predictability of funds; performance will be reviewed once a year against a commonly agreed performance framework (the health sector PAF), some of these indicators are also part of the whole of government PAF and PARPA.

Justice sector: working group that the EC chaired since June 2005 until April 2007 and is now an active member.

Audit sector: The EC is co-chairing this group since April 2007 after having chaired for two years and is actively engaged in its activities

The EC also participates in other working groups of such as Environment, where ongoing discussions cover climate adaptation policy and action plans; or the Gender Coordination Group, on gender mainstreaming.

#### Joint Programming

The EU Member States locally represented in Maputo were consulted about the feasibility of a joint CSP in early 2006. The NAO's office was a part to this exercise, and a seminar was co-financed with EDF funds. The majority position was that, in a context of limited Government capacity and no alignment process at donor level in terms of programming cycles, it was not cost-effective to launch full joint programming in the case of Mozambique. The final report of this exercise that covered 17 agencies in

programming mode was made available early 2007 and it is pending the approval of the National Aid Policy for a follow-up discussion. It is suggested that a joint committee Government/donors continues its work to improve programming coordination and complementarity of aid in Mozambique. It is therefore a window of opportunity to enhance coordination in view of a future Joint Assistance Strategy. The exercise - and dialogue with GoM on these issues - is to be resumed this year in this institutional context.

### **EU Code of Conduct**

Donors at local level welcomed the adoption of the EU Code of Conduct by the EU Member States. However, it is felt that the implementation of this political commitment is a big challenge in Mozambique, in a context of absence of a national aid policy that would allow in particular for an improved Government coordination structure, of different time frame for strategies of donors, of a lack of a joint assistance strategy or an EU joint programming.

A task force at local level was set up on division of labour (EC, Portugal, France - leading) and substantial work was conducted and approved by EU HoCs. That included the decision to enlarge the discussions to the overall donor community, the agreement on 10 concentration sectors to be considered in Mozambique, a set of tables with consolidated information on the donor strategies (amounts, focal sectors...), self-assessed comparative advantages, and the list of working groups and intentions of active participation. (see annexes d) on aid effectiveness). The main conclusions were the following:

- strategies: foreseeable increase in budget support (general/sector); timeframes vary,
- sectors of concentration: definition of non-focal sector,
- exit strategies listed (2008 onwards),
- number of donors in sector variable,
- silent partnerships: only 2 by Ireland, not high in political agenda,
- aid volume: exit strategies should not be detrimental to GoM,
- acceptance of self assessment of comparative advantages (the
- degree of deconcentration to field office is variable.

It was considered that the EC has comparative advantage in Roads, Agriculture, Health and GBS, and the ability to finance large scale projects. Some EU MS were of the opinion that the EC could have done better as regards concentration within the 10<sup>th</sup> EDF (concentration in 2 sectors, agriculture and transport), with 3 non focal sectors (Health, HiV-Aids and Governance), and 2 sectors with EU facilities (Water and Energy), the notion of focal/non focal sector being artificial to a certain extent, resulting in the EC being present (still) in a lot of sectors. The EC delegation intends to develop silent partnerships/delegated cooperation to reduce the number of sectors where the EC is active. This should however not have as a consequence the proliferation of small projects. (see annexes f) on aid effectiveness).

At the same time, a Task force on Working Groups (UK, France-leading) in the context of the direct budget support group has prepared the mapping of working groups and list of core participation and intentions of donors and Guiding Principles of Chairing WG. This will support future decisions on lead donor arrangements, as the Task Force on the division of labour mentioned above will take discussions forward. The Delegation has initiated internal discussions on how this can affect namely participation in working groups.

The Group on the Code of Conduct is presently analysing the current aid architecture, in order to provide a more effective model.

The ODAMoz database was proposed and financed by the EC as a component of the EU RoadMap agreed in 2005. The development of this database and appropriation by the Government of Mozambique ([www.odamoz.org.mz](http://www.odamoz.org.mz)) is considered as a great success in terms of harmonization.

### **Dialogue HoD/NAO**

Exchanges with the NAO were regular and intense during 2007 both at technical and political level, in particular due to the programming process of the 10th EDF and the dialogue on the governance commitments. A Retreat at technical level was organised with NAOs services to improve joint monitoring of programmes and projects. Joint monitoring missions to projects in the field are regularly organised.

## **Chapter 7. Dialogue in country with the NSAs, local authorities and the national Parliament**

The external evaluation report of the CSP (9<sup>th</sup> EDF), conducted in 2007, confirms that “There is increasing involvement in implementation of CSP/NIP and review processes”. Attention should be drawn to the fact that CSP annual consultation processes with NSAs entail a risk of overlap with the consultations conducted for the PRSP annual reviews in which both the CSP focal and non-focal sectors and beneficiaries and the EC are actively involved.

GON has shared the draft JAR report with the G20, an NGO platform who has a leading role in the policy dialogue in the framework of Development Observatory, but did not receive yet any contribution.

Overall CSP interventions for NSAs in 2007 aimed to strengthen NSAs by fostering the opportunities of their involvement in political, social and economic dialogue as well as in their role of service providers, having significantly contributed to strengthen the dialogue capacity of NSAs, particularly on sector policies and public awareness campaigns on HIV/AIDs prevention, human rights, gender, elections. For instance support was provided to Development Observatories (ex Poverty Observatory) which are bodies that stimulate discussions at central, provincial and district level for community planning and they have a consultative mandate for PRSP monitoring. Also a substantial contribution was provided through TCF II funds to a civil society mapping study led by the prominent NGO FDC (Fundação para o Desenvolvimento das Comunidades) which produced a national action plan containing a priority agenda of the civil society. During 2007 NSAs has been broadly consulted on the EPA negotiations. Also NSAs have presented their views on CSP and Cotonou during a parliamentary session organized for this objective.

Under PROAGRI II, there is an opportunity to engage with emerging local agents (NGO's, private sector) making it more relevant to revitalise the image and role of MINAG: for that purpose EC financed a study on the institutional framework for decentralisation in the agricultural sector in Mozambique.

In health the relationship with civil society has been improving steadily over the last few years, at the same time that their role in the health sector, both as service providers and advocates, has intensified with the increasing impact of HIV/AIDs. National and international NGOs are invited to six-monthly reviews with MISAU. An NGO representative is a permanent member of the Joint Coordinating Committee (CCC) which is the core SWAp (MISAU and partners) steering group that meets monthly. There is also an NGO joint working group that meets regularly and feeds into all other SWAp fora, allowing for input in policy setting, monitoring, planning, and budgeting. Similar set-ups can be seen to varying degrees at provincial level, leading to increased coordination at local level in terms of implementation, complementarity, etc. Finally, a system for outsourcing of activities has been set up, with an NGO coordinating office in MISAU managing contracts with NGOs, guided by a specific Code of Conduct.

On the initiative of the ECDPM financed by the Belgian cooperation, a three days event took place in the Mozambican parliament to present and have an exchange of views on the EU cooperation with the country in the context of Cotonou. This proved to be very useful for the Parliamentarians, who expressed their wish to be more involved in the monitoring of the EU Aid in accordance with the established relevant Mozambican legal procedures in the interplay between the Government and the Parliament operation. It was an opportunity to provide the parliamentarians with useful information on Mozambique-EC

cooperation and opened the door for a closer collaboration under the 10th EDF period.

Development partners discussed with the Government how to bring together the multiplicity of existing legal instruments and implementation strategies under one comprehensive national decentralisation policy. It was felt that the current process did not necessarily stimulate sectors that are supposed to deliver key services of PARPA. Therefore, EC launched a study on the institutional framework for decentralisation in the agricultural sector in Mozambique, to review the broad options available for deconcentration of public services to farmers (taking the case of PROAGRI 1 as a reference), in line with the Evaluation 9<sup>th</sup> EDF.

## **Chapter 8. Conclusions**

The success registered by Mozambique so far in terms of economic growth since the end of the war, in terms of GDP growth rate and reduction of poverty, will need to be sustained in order to fight against regional imbalances and disparities between the rich and the poor, and between rural and urban areas. The major challenge for the government is to continue putting into practice pro-poor policies that will bring sustainable results in many areas where progress needs to be registered (chronic malnutrition, access to self drinking water, spread of HIV/Aids, etc) thus ensuring growth with equity.

The CSP/NIP 10<sup>th</sup> EDF, signed in December 2007 in the Lisbon Summit, will be a key factor to continue supporting the government to reach the Millennium Development Goals. It is oriented mostly to pro poor economic growth, with, in addition to GBS that will be mobilised through an MDG contract, the 2 focal sectors of transport infrastructure and agriculture/rural development, with a particular focus on regional integration. Support will also be given to governance that remains broadly an area of concern. Both the 10<sup>th</sup> EDF NIP and the PALOP Governance Initiative will be instrumental in this regard. Building of the civil society for a more active participation into the public debate is also another key challenge for the future. Further effort has to be made regarding mainstreaming of cross-cutting issues has recommended by the already mentioned evaluation study.

According to the 9<sup>th</sup>EDF CSP Evaluation, the EC has made significant efforts to maximize coordination among donors. The main challenge in this context is now to use the set of tables with consolidated information on the donor strategies (amounts, focal sectors...), self-assessed comparative advantages, and the list of working groups and intentions of active participation, to actively promote the implementation of the EU code of conduct, in a context of wider donor coordination and harmonization. Problems of lack of human resources are generally affecting both focal and non focal sectors. However, the development of an integrated national capacity development plan (as recommended by the Evaluation exercise) is dependent upon the expected national aid policy under preparation. The approval of this document will thus pave the way for a more consistent discussion with Government and among donors, namely on the division of labour and complementarity.



## Chapter 9. Annexes

### a) General annexes

- 1.1. Update macroeconomic indicators: key economic data 2003-7 + previsions 2008
- 1.2. PEFA Assessment summary
2. MDG indicators
3. PAF 2007
4. Info from EAMR on results (extracts)
5. Other instruments

### b) Retrospective: Financial situation for

1. 9<sup>th</sup> EDF as per closure financial year 2007
2. Sector concentration engagements 9<sup>th</sup> EDF
3. Regional projects
4. EIB projects
5. Use of budget support (general/sector)
6. Budget lines

### c) Prospective

1. Indicative timetable for disbursements 9<sup>th</sup> EDF and previous EDFs (2008-)
2. Planned EDF commitments related to Africa-EU Partnerships and Priority Actions.

### d) Annexes on aid effectiveness

1. EAMR questionnaire on aid effectiveness
2. Donor matrix: list of active participation in WG
3. Donor matrix: sectors of concentration and working groups
4. Donor matrix: strategies and planned disbursements

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<sup>i</sup> PEES: Plano Estrategico Sector Saude; PES – Plano Economico Social

## Annex 1.1. - Macroeconomic indicators

	2003	2004	2005	2006	2007	2008	2009	Source
<b>Basic data</b>								
1 Population (in 1000)	18.600	19.000	19.400	19.900	20,531	n.a.	n.a.	INE
- annual change in %	2,2	2,2	2,3	2,4	2,5	n.a.	n.a.	INE
2a <a href="#">Nominal GDP (in millions of meticaïs)[1]</a>	n.a.	133.319	151.707	173.566	200.419	226.786	255.423	IMF
2b Nominal GDP per capita (in €)	n.a.	255	284	<a href="#">260[2]</a>	315	n.a.	n.a.	Own calculat
2c - annual change in %	n.a.	n.a.	11,40%	<a href="#">6,2%[3]</a>	21,20%	n.a.	n.a.	Own calculat
3 Real GDP (annual change in %)	n.a.	7,5	8,4	8	7	7	7	IMF
4 <a href="#">Gross fixed capital formation (in % of GDP)[4]</a>	45,5	43,3	45,8	n.a.	n.a.	n.a.	n.a.	Afr. Ec. Outlook 2004, OECD
<b>International transactions</b>								
5 Exports of goods and services (in % of GDP)	15,8	21,3	27,6	30,3	29	26,4	n.a.	IMF
- of which the most important: ... (in % of GDP)	n.a.	15,50%	n.a.	18,20%	n.a.	n.a.	n.a.	IMF
Alumionium								
6 Trade balance (in % of GDP)	n.a.	8	7,5	11,4	6,7	10,4	10,8	IMF
7 Current account balance (in % of GDP)	n.a.	14,1	15,8	13,6	17,9	17	17	IMF
8 Net inflows of foreign direct investment (in % of GDP)	n.a.	4,20%	1,50%	2%	2,50%	3,50%	3,70%	IMF
9 External debt (in % of GDP)	n.a.	73,9	69,5	41,7	20,1	22,5	23,9	IMF
10 Service of external debt (in % of exports of goods and non-factor services)	n.a.	23,9	18	13,9	16,2	17,7	17,8	IMF
11 Foreign exchange reserves (in months of imports of goods and non-factor services)	n.a.	5,8	4,6	4,4	4,2	4,2	4,2	IMF
<b>Government</b>								
12 Revenues (in % of GDP)	12,8.	12,6	14,1	15,6	16,1	16,7	17,2	IMF
- of which: grants (in % of GDP)	n.a.	7,5	6,6	11	12,8	13,8	12,5	IMF
13 Expenditure (in % of GDP)	25,4	24,5	22,9	28	34,4	36,7	35,4	IMF
- of which: capital expenditure (in % of GDP)	n.a.	9,4	8,6	12,3	16,7	17,8	16,9	IMF
14a Deficit (in % of GDP) including grants	-3,6	-4,5	-2,3	-1,7	-5,5	-6,2	-5,6	IMF
14b Deficit (in % of GDP) excluding grants	-12,6	-12,1	-8,9	-12,7	-18,3	-20	-18,1	IMF
15 <a href="#">NPV of tot. ext. debt (in % of GDP)[5]</a>	n.a.	n.a.	30,7	30,4	30,5	31,3	N.A.	IMF
- of which: NPV of publ. sect. ext. debt	n.a.	n.a.	19	19,7	19,8	N.A.	N.A.	IMF
<b>Other</b>								

	2003	2004	2005	2006	2007	2008	2009	Source	
16	Consumer price inflation (annual average change in %)	n.a.	12,6	6,4	13,2	7,9	5,7	5,4	IMF
17	Interest rate (for money, annual rate in %)	27	n.a.	n.a.	25	n.a.	n.a.	n.a.	
18	Exchange rate (annual average of national currency per 1 €)	26,3	27,5	28,6	33,6	35,22	n.a.	n.a.	Euroinfo Website/own calcul.
19	Unemployment (in % of labour force, ILO definition)	n.a.	n.a.	n.a.	2,6	n.a.	n.a.	n.a.	
20	Employment in agriculture (in % of total employment)	81,5	78,5	n.a.	n.a.	n.a.	n.a.	n.a.	IFTRAB 2004/2005

[1] We prefer to provide these figures in Meticais in order to avoid any fluctuation due to appreciation of the Euro.

[2] The negative trend is due to the appreciation of the Euro.

[3] The negative trend is due to the appreciation of the Euro.

[4] Projections from Afr. Ec. Outlook 2004, OECD

## ANNEX 1. 2. PEFA (Summary Assessment)

This final report provides a ranking of the status of the PFM systems and processes of Mozambique, up to the conclusion of the 2006 budget cycle, taking account of the accounting and audit information on past years produced during 2007. It is based upon the use of the PEFA methodology and thus provides a direct point of comparison with the 2004 PEFA. Mozambique is one of the first countries in the world to have completed two PEFA assessments and has thus created a robust basis for assessing the progress over time in the implementation of its PFM reforms. The next PEFA assessment is scheduled to take place during 2010, covering the completed 2009 budget cycle.

The report includes an assessment of the status of PFM systems and processes at end 2006, an analysis of the changes noted between 2004 and 2006 and a review of the trends emerging during 2007. This version has benefited from comments by the Government of Mozambique, its Development Partners and by the PEFA Secretariat in Washington D.C. It has been presented in Maputo on 4<sup>th</sup>, March 2008, where further comments will be invited from these groups as well as from academics and civil society observers.

### *(i) Key changes over 2004 to 2006*

Significant improvements in the quality of PFM systems and processes have been achieved between 2004 and 2006, as measured by the PEFA methodology. This is shown in detail in Annex One and in summary graphic form in Figure 1 below<sup>1</sup>. The most significant improvements have come in the following areas:

- Payroll, procurement and internal controls (Indicators PI 18-21);
- Cash management (Indicators PI 16 & 17)
- Donor practices (Indicators D1-3)
- Revenue collection & management (Indicators PI 13-15);

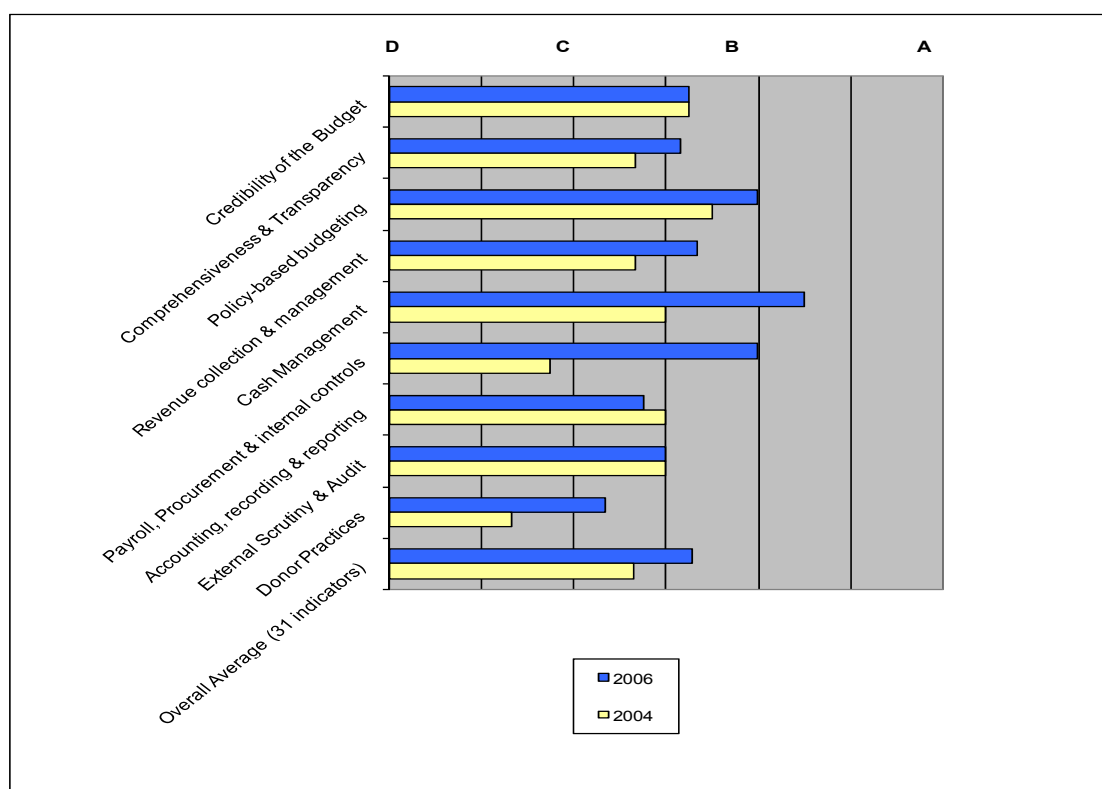
The improvement in Donor practices is most notable in relation to the predictability of budget support disbursements, where there have been major improvements with significant positive effects for treasury management. The recording of budget allocations and expenditures for externally financed projects has also improved with the development of the ODA-MOZ data-base, although many projects still remain off-budget. There have also been positive changes in Comprehensiveness & Transparency (PI 5-10) and in the quality of Policy-based Budgeting (PI 11 & 12).

These improvements have, in some cases, come simply as the result of small managerial and administrative improvements but most have been driven by the ongoing programmes of reform to public finance management systems. Especially important have been the reforms to revenue collection

<sup>1</sup> The graphical presentation is derived by assigning a numerical value (from 1 to 7) to each possible score in the PEFA methodology (D, D+, C, C+, B, B+, A) and then averaging across each area of assessment.

and management, to procurement, and to financial management deriving from the ongoing implementation of e-SISTAFE. However, there have also been ad-hoc actions taken in other areas – notably the census of public servants – which have impacted positively. Some of these resulted directly from the review of the results of the 2004 PEFA and the corrective actions agreed at that time by Government. Most reforms were already under implementation or at advanced stages of design in 2004, which underlines the fact that the improvements observed in 2006 are for the most part the fruit of investments undertaken much earlier.

**Figure 1: Mozambique: Comparison of PEFA scores 2004 and 2006<sup>2</sup>**



Taken as a whole, the indicators covering accounting, recording and reporting appear to have deteriorated slightly but here the grouping of indicators is deceptive. There have been improvements in the timeliness and regularity of accounts reconciliation and in the quality and timeliness of in-year budget reports but these have been offset by the fact that with no Public Expenditure Tracking Survey (PETS) completed in the last three years, the score on information available from service delivery units has declined. A PETS in education is planned for 2008.

<sup>2</sup> Indicators are grouped as follows: Credibility of the budget – PI 1-4; Comprehensiveness & Transparency – PI 5-10; Policy-based budgeting PI 11&12; Revenue collection & management PI 13-15; Cash management PI 16 & 17; Payroll, procurement & internal controls PI 18-21; Accounting, recording and reporting PI 22-25; External scrutiny and Audit PI 26-28; Donor Practices D1-3.

No improvements are recorded in external scrutiny and audit but again the score is somewhat deceptive. There have been improvements in the coverage of external audit but these have not been of a sufficient scope to raise the aggregate score. The building up of the external audit capacity of the *Tribunal Administrativo* requires highly skilled human resources and is necessarily a slow process in Mozambique. More worrying is that the quality of follow-up to internal and external audit reports has improved only modestly. There is the scope for achieving much greater impact from audit work if more attention could be given to follow-up, even at the expense of reducing its coverage.

The main area where the desired improvements have not been registered is in relation to the credibility of the budget, as measured by the consistency of actual expenditures and revenue collections as compared with originally approved budgets and projections. The relatively poor scores registered in 2004 have not been improved upon at all. This is worrying because while improvements in financial control and reporting are highly desirable, the ability of a budget to make available approved resources in a predictable manner is fundamental. If a budget does not have this basic level of credibility and predictability, then it is difficult for budget managers to deliver services efficiently and to achieve value for money.

In part, the low scores can be explained by the fact that revenue reforms (particularly in 2004 and 2005) created difficulties in accurately estimating tax collections; the fact that 2005 was a post-election year was also a complicating factor because it led to major revisions to the budget during the process of execution. However, at the organisational level, high discrepancies between expenditures and originally approved budgets continued into 2006, when estimates both of budget support disbursements and of domestic revenue collections proved far more accurate. This is indicative of continuing problems in the budgeting of expenditures. It may be that some wholly new activities are being included within the budget during the execution process but we believe that the primary problems derive from the fact that: a) planned activities are not being properly costed during budget preparation, meaning that the level of resources approved is not sufficient for their implementation; and/or b) sector ministries are responding to reductions in budget ceilings (during the preparation process) not by cutting activities but rather by trying unsuccessfully to trim costs. These are serious problems which urgently demand closer analysis and corrective action during 2008 and beyond.

*(ii) Status of PFM in 2006 and its significance for budgetary outcomes*

What can we say about the relative level which PFM systems in Mozambique have now reached? And what does this imply in terms of its ability to achieve the objectives of an effective PFM system? Effective PFM systems should be able to achieve three objectives simultaneously: the maintenance of aggregate fiscal discipline, the allocation of public resources to agreed strategic objectives and the efficient delivery of services. The necessary control and reporting systems to achieve the first objective of fiscal discipline are reasonably well established and, indeed, Mozambique has a good record of macro-economic management. Debt and treasury management systems are strong and the improvement in financial control which e-SISTAFE has permitted makes major fiscal slippages less likely. However,

the quality of oversight of fiscal risks from public sector entities remains weak and, with the expanding scope of public sector actions in the natural resource sectors, this is an area of vulnerability whose importance is increasing. There is a related problem of a lack of transparency in this sector.

The 2004 PEFA drew particular attention to the weaknesses identified in internal control systems, especially in control over the payroll, over expenditure commitments and over procurement processes. Significant improvements have been made in each of these areas. They remain to be consolidated and completed but the degree of control is now considerably stronger. A higher proportion of public acquisitions is now made by competitive tender; there is now a validated independent personnel data base against which the payroll can be reconciled (to eliminate “ghosts” and double entries) and it is now virtually impossible to make a commitment without a prior budget allocation or a payment without a commitment. With these controls in place, efficiency and value for money in service delivery are now more likely to be achieved.

In Mozambique it would seem that it is the mechanisms for strategic allocation of resources which are most lagging behind. The strongest evidence of this is the high variance between budgets and actual expenditures at the institutional level. An examination of the structures for policy-based budgeting and the mechanisms for classification of the budget gives a sense of where the problems lie. Mozambique now has a CFMP which is approved at the political level (by the *Conselho de Ministros*) and provides an operational mechanism for programming spending over the medium term. This is an important achievement in itself but the quality of future projections is weak: it has not yet proven possible to provide accurate estimations of the future cost implications of Government policies. One part of the reason is that, in the absence of a programmatic classifier or a detailed functional classifier, it is not possible to use the budget structure to cost out the policies and programmes being conducted within public institutions: the budget only shows an organic and economic classification.

The decision has been taken to introduce a programme classification system on a pilot basis from 2008 and comprehensively across Government from 2009. This is an important step forward, which should assist in addressing these weaknesses and, over time, in converting the Mozambican system into an effective policy-based budget, able to allocate public resources to agreed strategic priorities. However, the initial proposals on the structure of programme budgeting are not consistent with best international practices and should be comprehensively reviewed before implementation begins.

### *(iii) Priorities for 2008 and beyond*

Mozambique has reached a situation where its PFM reforms – especially in financial management, procurement and revenue administration, are beginning to reap genuine benefits. The first priority is to complete and consolidate these reforms. In each of these areas, much remains to be done and the gains achieved remain vulnerable until implementation across government has been completed. It will be important in the next two years to keep the accent firmly upon implementation of the core elements of these systems, avoiding the pressures to design new refinements and extend the scope of reforms. For

the e-SISTAFE system, for example, this should mean focussing first on completing the roll-out amongst the entities of central government and consolidating the use of the direct execution modality. In order to facilitate the focus on implementation, we would recommend that beyond normal monitoring and review processes, there should be no significant external evaluation activities in these three areas during 2008. However, we recommend that in 2009 comprehensive external reviews of the new systems and practices should be undertaken with regard to procurement and revenue administration to take stock of progress, ensure that legal and procedural improvements are feeding through into actual practices and to consolidate and build upon the gains made.

The strengthening of the budget process through the introduction of a programme classification is the next big step, where some of the preparatory groundwork has already been laid. Our impression is that the magnitude of this step has not been fully appreciated. It is essential that firstly the programme concept should be defined simply, effectively and in line with best international practice, and secondly that there should be extensive support across central government agencies to assist its adoption. We are not convinced that either of these pre-conditions is yet in place and we would recommend a review of proposals in early 2008 to ensure a clear and realistic programme of work is put in place.

The problem of poor oversight of fiscal risk was raised as an issue in 2004 and, unfortunately, it has proven difficult for the Government to achieve improvements in this area. The main problem is that due to a lack of consistency (and sometimes a lack of clarity) in the reporting rules for different types of public enterprises, semi-autonomous bodies and private companies with minority government ownership, it is not possible to generate a consolidated annual report on the assets and liabilities of the public sector and on the risks these might represent for the State. Since 2004, there has been an expansion in the level of state holdings in the natural resource sector (notably in oil and gas) which makes this lack of effective oversight a more serious matter of concern. We recommend that the Minister of Finance should establish an appropriately selected task force to consider this question and put in place a concrete plan of action to be followed over 2008 and 2009.

Finally, we would recommend that continued attention is given to the improvements in reporting and follow-up identified in different parts of this report. More use should be made of public entity web-sites for dissemination of budget and accounting documents and more attention should be given to the comprehensiveness, timely updating and user-friendliness of reports. By and large, these are 'quick wins' which are not very demanding of administrative time and can help strengthen the Mozambican PFM system.



## Annex I: Summary of PEFA 2004 &amp; 2006 by Performance Indicator

Indicator	Dimension	2004 Assessment		2006 Assessment		Recommendations 2008 & 2009
<b>PI – 1:</b> Aggregate expenditure out-turn compared to original approved budget	(i) The difference between actual primary expenditure and the originally budgeted primary expenditure (i.e. excluding debt service charges and externally financed project expenditure)	<b>A</b>	<b>(B)</b>	<b>B</b>		
<b>PI – 2:</b> Composition of expenditure out-turn compared to original approved budget	(i) Extent to which variance in primary expenditure composition exceeded overall deviation in primary expenditure (as defined in PI-1) during the last three years	<b>B</b>		<b>C</b>		
<b>PI – 3:</b> Aggregate revenue out-turn compared to original approved budget.	(i) Actual domestic revenue collection compared to domestic revenue estimates in the original, approved budget	<b>B</b>		<b>C</b>		
<b>PI – 4:</b> Stock and monitoring of expenditure payment arrears	(i) Stock of expenditure payment arrears (as a percentage of actual total expenditure for the corresponding fiscal year) and any recent change in the stock.	<b>A</b>	<b>D+</b>	<b>A</b>	<b>B+</b>	
	(ii) Availability of data for monitoring the stock of expenditure payment arrears.	<b>D</b>		<b>B</b>		
<b>PI – 5:</b> Classification of the Budget	The classification system used for formulation, execution and reporting of the central government's budget	<b>B</b>		<b>B</b>		
<b>PI – 6: Comprehensiveness of information included in budget documentation</b>	Typology of information in the budget documentation most recently issued by the central government	<b>B</b>		<b>B</b>		
<b>PI – 7:</b> Extent of unreported government operations	(i) The level of extra-budgetary expenditure (other than donor-funded projects) which is unreported i.e. not included in fiscal reports.	<b>B</b>	<b>C+</b> <b>(C)</b>	<b>B</b>	<b>C+</b>	
	(ii) Income/ expenditure information on donor-funded projects which is included in fiscal reports	<b>C</b>		<b>C</b>		

Indicator	Dimension	2004 Assessment		2006 Assessment		Recommendations 2008 & 2009
<b>PI – 8:</b> <b>Transparency of inter-governmental fiscal operations</b>	(i) Transparent and rules based systems for the horizontal allocation among SN governments of unconditional and conditional transfers from central government.	A	C+	A	C+	
	(ii) Timeliness of reliable information to SN governments on their allocations from central government for the coming year.	C		C		
	(iii) Extent to which consolidated fiscal data (at least on revenue and expenditure) is collected and reported for general government according to sectoral categories.	D		D		
<b>PI – 9:</b> <b>Oversight of aggregate fiscal risk from other public sector entities</b>	(i) Extent of central government monitoring of autonomous government agencies and public enterprises	C	D+	C	D+	
	(ii) Extent of central government monitoring of SN governments' fiscal position	D		D		
<b>PI – 10:</b> <b>Public access to key fiscal information</b>	Typology of fiscal information which is publicly available	C		B		
<b>PI – 11:</b> <b>Orderliness and participation in the annual budget process</b>	(i) Existence of and adherence to a fixed budget calendar.	A	B	A	B+	
	(ii) Clarity/comprehensiveness of and political involvement in the guidance on the preparation of budget submissions (budget circular or equivalent).	C		A		
	(iii) Timely budget approval by the legislature or similarly mandated body (within the last three years).	C		C		
<b>PI – 12:</b> <b>Multi-year perspective in fiscal planning, expenditure policy and budgeting</b>	(i) Preparation of multi-year fiscal forecasts and functional allocations	C	C+	C	C+	
	(ii) Scope and frequency of debt sustainability analysis	A		A		
	(iii) Existence of sector strategies with multi-year costing of recurrent and investment expenditure	C		C		
	(iv) Linkages between investment budgets and forward expenditure estimates	C		D		

Indicator	Dimension	2004 Assessment		2006 Assessment		Recommendations 2008 & 2009
<b>PI – 13:</b> <b>Transparency of Taxpayer obligations and liabilities</b>	(i) Clarity and comprehensiveness of tax liabilities	<b>B</b>	<b>B</b>	<b>B</b>	<b>B+</b>	
	(ii) Taxpayer access to information on tax liabilities and administrative procedures	<b>A</b>		<b>A</b>		
	(iii) Existence and functioning of a tax appeal mechanism	<b>C</b>		<b>B</b>		
<b>PI – 14:</b> <b>Effectiveness of measures for taxpayer registration and tax assessment</b>	(i) Controls in taxpayer registration system	<b>B</b>	<b>C+</b>	<b>B</b>	<b>B</b>	
	(ii) Effectiveness of penalties for non-compliance with registration and declaration obligations	<b>C</b>		<b>B</b>		
	(iii) Planning and monitoring of tax audit and fraud investigation programmes	<b>C</b>		<b>B</b>		
<b>PI – 15:</b> <b>Effectiveness in collection of tax payments</b>	(i) Collection ratio for gross tax arrears, being the percentage of tax arrears at the beginning of a fiscal year, which was collected during that fiscal year (average of the last two fiscal years).	<b>D</b>	<b>D+</b>	<b>D</b>	<b>D+</b>	
	(ii) Effectiveness of transfer of revenue collections to the Treasury by the revenue administration.	<b>B</b>		<b>B</b>		
	(iii) Frequency of complete accounts reconciliation between assessments, collections, arrears and receipts by Treasury.	<b>B</b>		<b>A</b>		
<b>PI – 16:</b> <b>Predictability in the availability of funds for commitment of expenditures</b>	(i) Extent to which cash flows are forecast and monitored.	<b>A</b>	<b>D+</b>	<b>A</b>	<b>C+</b>	
	(ii) Reliability and horizon of periodic in-year information to MDAs on ceilings for expenditure commitment	<b>C</b>		<b>B</b>		
	(iii) Frequency and transparency of adjustments to budget allocations, which are decided above the level of management of MDAs	<b>D</b>		<b>C</b>		
<b>PI – 17:</b> <b>Recording and management of cash balances, debt and guarantees</b>	(i) Quality of debt data recording and reporting	<b>B</b>	<b>B+</b>	<b>A</b>	<b>A</b>	
	(ii) Extent of consolidation of the government's cash balances.	<b>B</b>		<b>B</b>		
	(iii) Systems for contracting loans and issuance of guarantees.	<b>A</b>		<b>A</b>		
<b>PI – 18:</b>	(i) Degree of integration and reconciliation between personnel records and payroll data	<b>D</b>	<b>D+</b>	<b>B</b>	<b>B</b>	

Indicator	Dimension	2004 Assessment		2006 Assessment		Recommendations 2008 & 2009
Effectiveness of payroll controls	(ii) Timeliness of changes to personnel records and the payroll	D		B		
	(iii) Internal controls of changes to personnel records and the payroll	C		B		
	(iv) Existence of payroll audits to identify control weaknesses and/or ghost workers.	C		B		
PI – 19: Competition, value for money and controls in procurement	(i) Evidence on the use of open competition for award of contracts that exceed the nationally established monetary threshold for small purchases (percentage of the number of contract awards that are above the threshold)	C	C	B	B	
	(ii) Extent of justification for use of less competitive procurement methods	C		C		
	(iii) Existence and operation of a procurement complaints mechanism	C		B		
PI – 20: Effectiveness of internal controls for non-salary expenditure	(i) Effectiveness of expenditure commitment controls	D	D+	B	B	
	(ii) Comprehensiveness, relevance and understanding of other internal control rules/procedures	C		B		
	(iii) Degree of compliance with rules for processing and recording transactions.	C		B		
PI – 21: Effectiveness of Internal Audit	(i) Coverage and quality of internal audit function	B	C+	B	B	
	(ii) Frequency and distribution of reports	C		B		
	(iii) Extent of management response to internal audit findings	C		B		
PI – 22: Timeless and regularity of accounts reconciliation	(i) Regularity of bank reconciliations.	B	B	B	B	
	(ii) Regularity of reconciliation and clearance of suspense accounts and advances	B		B		
PI – 23: Availability of information on resources received by service delivery units	Collection and processing of information to demonstrate the resources that were actually received (in cash and kind) by the most common front-line service delivery units (primary schools and primary health clinics), irrespective of which level of government is		C		D	D

Indicator	Dimension	2004 Assessment		2006 Assessment		Recommendations 2008 & 2009
	responsible for the operation and funding of those units.					
<b>PI – 24:</b> <b>Quality &amp; timeliness of in-year budget reports</b>	(i) Scope of reports in terms of coverage and compatibility with budget estimates	<b>C</b>	<b>C+</b>	<b>C</b>	<b>C+</b>	
	(ii) Timeliness of the issue of reports	<b>B</b>		<b>B</b>		
	(iii) Quality of information	<b>C</b>		<b>B</b>		
<b>PI – 25:</b> <b>Quality and timeliness of annual financial statements</b>	(i) Completeness of the financial statements	<b>C</b>	<b>C+</b>	<b>C</b>	<b>C+</b>	
	(ii) Timeliness of submission of the financial statements	<b>A</b>		<b>A</b>		
	(iii) Accounting standards used	<b>C</b>		<b>C</b>		
<b>PI – 26:</b> <b>Scope, nature and follow-up of external audit</b>	(i) Scope/nature of audit performed (incl. adherence to auditing standards)	<b>D</b>	<b>D+</b>	<b>D</b>	<b>D+</b>	
	(ii) Timeliness of submission of audit reports to legislature	<b>C</b>		<b>B</b>		
	(iii) Evidence of follow up on audit recommendations	<b>B</b> <b>(C)</b>		<b>C</b>		
<b>PI – 27:</b> <b>Legislative scrutiny of the annual budget law</b>	(i) Scope of Legislature's scrutiny	<b>A</b>	<b>B+</b>	<b>A</b>	<b>B+</b>	
	(ii) Extent to which the legislature's procedures are well-established and respected.	<b>A</b>		<b>A</b>		
	(iii) Adequacy of time for the legislature to provide a response to budget proposals.	<b>A</b>		<b>A</b>		
	(iv) Rules for in-year amendments to the budget without ex-ante approval by the Legislature.	<b>B</b>		<b>B</b>		
<b>PI – 28:</b> <b>Legislative scrutiny of external audit reports</b>	(i) Timeliness of examination of audit reports by the Legislature (for reports received within the last three years)	<b>A</b>	<b>C+</b>	<b>B</b>	<b>C+</b>	
	(ii) Extent of hearings on key findings undertaken by the Legislature	<b>C</b>		<b>C</b>		
	(iii) Issuance of recommended actions by the Legislature and implementation by the Executive.	<b>B</b>		<b>B</b>		
<b>D-1:</b>	(i) Annual deviation of actual budget support from the forecast	<b>A</b>	<b>C+</b>	<b>A</b>	<b>A</b>	

Indicator	Dimension	2004 Assessment		2006 Assessment		Recommendations 2008 & 2009
<b>Predictability of Direct Budget Support</b>	provided by the donor agencies at least six weeks prior to the government submitting its budget proposals to the Legislature.					
	(ii) In-year timeliness of donor disbursements (compliance with aggregate quarterly estimates).	<b>C</b>		<b>A</b>		
<b>D-2: Financial information provided by donors for budgeting and reporting on projects and programmes</b>	(i) Completeness and timeliness of budget estimates by donors for project support	<b>C</b>	<b>D+</b>	<b>C</b>	<b>D+</b>	
	(ii) Frequency and coverage of reporting by donors on actual donor flows for project support	<b>D</b>		<b>D</b>		
<b>D-3: Proportion of aid that is managed by use of national procedures</b>	Overall proportion of aid funds to central government that are managed through national procedures		<b>D</b>		<b>D</b>	

## ANNEX 2 - Millennium Development Goals (MDG)

Type	Indicator	1990	1997	2000	2003	2004	2005	2006	2007	2008/9 target	2015 target
IMPACT	1. Proportion of population below \$1 per day (%)	38 <sup>u</sup>	69.4*		54.1*					45	44
	2. Prevalence of underweight children (under-five years of age) (%)		26*	12.2 <sup>m</sup>	24*					18	17
	3. Under-five mortality rate (per 1,000)	235*	219*	200 <sup>m</sup>	178*	152 <sup>m</sup>	145 <sup>u</sup>			140	108
OUTCOME	4. Net enrolment rate in primary education (%)		44*	54.7 <sup>m</sup>	69.4*	75.6 <sup>m</sup>	83.4 <sup>m</sup>	87.1 <sup>m</sup>	74 <sup>x</sup>	80 <sup>x</sup>	100
	5. Primary Completion Rate (%)		22*	39.0 <sup>m</sup>	38.7*	28.9 <sup>m</sup>	42 <sup>u</sup>	33.7 <sup>m</sup>	47	59	100
	6. Ratio of girls to boys in: - primary education (PE1) - secondary education		0.71*	0.76 <sup>m</sup> 0.65 <sup>m</sup>	0.83 <sup>m</sup> 0.67 <sup>m</sup>	0.85 <sup>m</sup> 0.69 <sup>m</sup>	0.86 0.70	0.93 <sup>m</sup>	0.95	0.96	1.00
	7. Proportion of births attended by skilled health personnel (%)		44.2*	40.3 <sup>m</sup>	47.7*	46.9 <sup>m</sup>	49 <sup>m</sup>	48.4 <sup>m</sup>	52	53/56	
	8. Proportion of 1 year old children immunized against measles (%) <sup>y</sup>		57.5*	97.1 <sup>m</sup>	76.7*	77 <sup>u</sup>	77 <sup>u</sup>	100 <sup>m</sup>	98	75/80	85
	9. HIV prevalence among 15-24 y/o pregnant women (%)			12.5 <sup>m</sup>	13.3 <sup>m</sup> (2002)	15.6 <sup>s</sup>			11.3 <sup>s</sup>	10.4 (20-24)	
	10. Proportion (%) of population with sustainable access to an improved water source			37.1*		35.7*	39.8 <sup>m</sup>	39.0 <sup>m</sup>	41 <sup>u</sup>	42 <sup>u</sup>	53
IMPACT	11. Maternal Mortality Ratio (per 100,000)	1000*			408*		408			358	250

Impact indicators are not measurable on an annual basis.

\* National Surveys/

<sup>u</sup> = UN data/

<sup>m</sup> = Official line ministry data

<sup>x</sup> = Aide Memoire Midyear review 2007

<sup>y</sup> = DPT3 and Hepatitis B immunisation coverage is used in Mozambique instead.

**ANNEX 3: INDICATORS IN THE PERFORMANCE ASSESSMENT FRAMEWORK (QAD / PAF) 2007 - 2009**

Pillar / Area	Objective	Achievements (Actions)	Responsibility of:	Indicator [Verification Source]	Target 2007	Indicative target 2008	Indicative target 2009	Type of indicator (Outcome/Output)	No of Ind
<b>MACRO-ECONOMICS AND POVERTY</b>									
Poverty Analysis and Monitoring Systems	<i>Make adequate, precise, disaggregated and timely information on the implementation of the PARPA available to all key agents</i> (par. 621 & 622)	Carry out at least one Provincial Poverty Observatory (OPP) in each province	MPD	Number of Provinces with executed OPPs [Syntheses of the OPP on the OP website and at the DNP]	11	11	11	Output	1
Public Financial Management	<i>Improve the efficiency and effectiveness of public management funds</i> (par. 289 & 494)	<b>Note:</b> Since we are dealing with an outcome indicator, there are various actions and responsible entities, whereby these may be conferred in the <b>Strategic Matrix</b>		Aggregate expenditure as a % of the approved Stage Budget (OE)	≥95% e ≤105%	≥95% e ≤105%	≥95% e ≤105%	Outcome	2
		Allocation of the public resources in accordance with the objectives of the PARPA II, whereby the allocation for priority sectors, as indicated in the PARPA, is used as a reference (Table 17)	MF-DNO / MPD-DNP	Allocation of the OE in line with the MTFF [MTFF and OE]	X	X	X	Output	3
		Increase in the budgeting orientated by the objectives of the Government	MPD / MF	Research on the Localization of Public Expenditure ("PETS") executed on a bi-annual basis (MF and MPD)	Initiated and effectively carried out at MEC (Education) level	Actions in response to the implemented 2007 PETS	Research carried out	Output	4
		Direct execution of the budget through the e-SISTAFE	MF / Ministries	Number of Ministries, State organs and UGEs [MF]	25 Ministries, organs and at least 291 UGE	To be defined	To be defined	Output	5
		<b>Note:</b> Since we are dealing with an outcome indicator, there are various actions and responsible entities, whereby these may be conferred in the <b>Strategic Matrix</b>		Total incomes as a % of GDP [OE]	14,9%	15,4%	15,9%	Outcome	6
	<i>Make the State goods and services acquisition system transparent and efficient</i> (par. 494)	Implementation and operation of the Procurement System up to the district level	MF - DNPE	System of Procurement operational [DNPE-MF]	X	X	X	Output	7
	<i>Increase the coverage and efficiency of the internal and external auditing organs</i> (pars. 290 & 494)	Increase the number of organs with an operational internal controls unit at central and provincial levels	IGF	% of organs at central and provincial levels with operational internal control units [Annual activities report on the internal control sub-system_SCI]	30	65	100	Output	8
		Increase the number of financial audits	TA	Number of financial audits approved by the TA [Annual activities report]	90	118	144	Output	9
<b>GOVERNANCE</b>									
Public Sector Reform	<i>Strengthen the institutional capacity of the local governments</i> (par. 284)	Implementation of the national decentralized planning and finance strategies	MPD / MF / MAE	% of the budget transferred to the: - provinces, - districts - municipalities [OE]	24.9% 3.0% 0.8%	To be defined	To be defined	Output	10
			MAE	% of operational District Consultative Councils (at least 3 meetings per year) with accountability to the Government [MAE]	60%	80%	100%	Output	11
	<i>Improve human resources management systems</i> (par. 288)	Development and implementation of the unified Personnel Information System (ANFP, MF and TA)	ANFP	Published Statistics Yearbook on public servants [Statistics Yearbook]	Census and CUF	X	X	Output	12
	<i>Strengthen the public policies management processes</i> (par. 286)	Increase in the number of municipalities	MAE	Proposal for the increase in the number of municipalities deposited in the AR [MAE]	Legislation on the criteria approved by the CM and deposited in the AR			Output	13



**ANNEX 3: INDICATORS IN THE PERFORMANCE ASSESSMENT FRAMEWORK (QAD / PAF) 2007 - 2009**

Pillar / Area	Objective	Achievements (Actions)	Responsibility of:	Indicator [Verification Source]	Target 2007	Indicative target 2008	Indicative target 2009	Type of indicator (Outcome/Output)	No of Ind
Justice, Legality and Public Order	<i>Increase the efficiency and celerity in the provision of legal services</i> (par.294)	Increase the productivity of the Courts	TS	Number of cases tried per judge per year [TS official statistics]	150	To be defined	To be defined	Output	14
			MJ	% of prisoners in jail awaiting trial [TS official statistics]	35%	30%	30%	Output	15
	<i>Strengthen the combat against corruption</i> (par. 297)	Investigation and closure of corruption cases	PGR	Number of corruption cases : A) Reported B) Under investigation C) a- Accused b- Non-accused (awaiting better evidence) c- Filed D) Tried [PGR]	Published statistics	To be defined	To be defined	Output	16
<i>Strengthen the prevention and combat against crime</i> (par. 299)	Improvement in the quality of the services rendered by the Criminal Investigation Police	MINT and PGR	% of cases prepared within the preparation time limits [MINT and PGR]	50%	50%	50%	Output	17	
<i>Elevate performance levels of the police forces</i> (par.301)	Increase in the PRM's operationality	MINT	% of cleared-up crime processes [MINT]	74%	74%	75%	Output	18	
<b>HUMAN CAPITAL</b>									
Health	<i>Reduce infant-youth death rates</i> (par. 428)	Strengthening of the activities of the PAV, and especially that of the mobile brigades component	MISAU - DNS	DPT3 and Hb coverage rates in children between 0-12 months [SIMP]	95%	95%	95%	Output	19
	<i>Reduce maternal death rates</i> (par. 426)	Carry out campaigns on education, information dissemination, awareness of community leaders and of other people with decision-making powers so as to increase the demand of obstetric care	MISAU - DNS	Coverage rate of institutional births [SIMP]	52%	53%	56%	Output	20
	<i>Reduce the weight of malaria, specially in the more vulnerable groups</i> (par. 432)	Increase the use of mosquito nets and insecticides	MISAU - DNS	% of pregnant women and children under 5 who have at least one REMTI in each district without fumigation [Malaria Programme]	≥95%	≥95%	≥95%	Output	21
	<i>Reduce the impact of HIV/AIDS on the population</i> (par. 451)	Increase National capacity to the diagnosis and treatment of AIDS	MISAU - DNS	Number of people who benefit from antiretroviral therapy (ART) [HIV/AIDS Programme] Number of children who benefit from paediatric ART [HIV/AIDS Programme]	96420	132280	165000	Output	22
11 820					20826	30000			
Education	<i>Guarantee quality universal schooling</i> (par. 400)	Recruitment of teachers	MEC	Net enrolment rate at 6 years of age in the 1st Grade - Girls [MEC Statistics]	67%	73%	80%	Outcome	23
		Distribution of the EP school textbooks	MEC	EP2 conclusion rate - Girls [MEC Statistics]	27%	40%	50%	Outcome	24
		Increase in the proportion of teachers with pedagogical training							
	Hiring of new teachers	MEC	Ratio students per teacher in EP1 [MEC Statistics]	71	69	67	Outcome	25	
	Reduction in the number of teachers teaching 2 shifts in EP1								
Water and Sanitation	<i>Increase the population's access to potable water in the rural areas</i> (par. 455)	Construction of new disperse water points	DNA / DPOPH's	Number of new disperse water points that were constructed [DPOPH annual reports]	1 055	1055	1034	Output	26
Social Action	<i>Protect and attend to the population groups in vulnerable situations (children, women, deficiency carriers and the elderly)</i> (pars. 463, 465, 467 and 469)	Implementation and expansion of the Social Protection programmes (Direct Social Aid, Food Subsidies, Social Benefit through Work, Income Generating Programme, Institutional Assistance Programme for Children, the Elderly and Deficiency Carriers)	DPMAS / INAS	Number of children, elderly people, deficiency carriers, women who are heads of the family aggregate benefiting from social protection programmes [PES periodic reports with disaggregated data per target programme and group]	120437	279800	294400	Output	27

**ANNEX 3: INDICATORS IN THE PERFORMANCE ASSESSMENT FRAMEWORK (QAD / PAF) 2007 - 2009**

Pillar / Area	Objective	Achievements (Actions)	Responsibility of:	Indicator [Verification Source]	Target 2007	Indicative target 2008	Indicative target 2009	Type of indicator (Outcome/Output)	No of Ind
<b>ECONOMIC DEVELOPMENT</b>									
Financial Sector	<i>Strengthen the regulation and supervision of the financial system so as to minimize the risks of financial crises and financial crimes (par. 500)</i>	On-site and off-site inspection and report production by BM	BM	% of banks fulfilling the IAS/IFRS norms [BM]	100%	100%	100%	Output	28
	<i>Improve the insurance and social protection sector (par. 503)</i>	Elaboration of: Regulation on Private Pensions Funds (Private), proposals for the insurance contracting law; Revision of the financial guarantees regime and the elaboration of a transition plan for the IFRS	IGS	Submission to the Council of Ministers / Parliament [Publications in the Government Gazette]	Revision of the financial guarantees regime. Regulation on the private pensions funds	IFRS transition plan and proposals for the insurance contracting law		Output	29
		Realization of the actuarial study and the design of the investments strategy and elaboration of regulating diplomas	INSS	Study concluded; investment strategy being implemented; regulations in force and recommendations implemented. [INSS]	Realization of the actuarial study and the elaboration of the investment study	Implementation of the recommendations made by the actuarial study and by the investment strategy	Implementation	Output	30
Private Sector	<i>Improve the business environment (par. 495)</i>	Simplification of the procedures for starting a business	MINJ / MIC	Number of days to start a business [Annual World Bank Report "Doing Business Annual Report"]	60	40	30	Output	31
	<i>Create employment (par. 556 e 497)</i>	Approval and implementation of a flexible Labour Law	MITRAB	Cost of hiring and firing workers** [Doing Business Position]	80	To be defined	To be defined	Output	32
Agriculture	<i>Increase access to technology and extension information (par. 531)</i>	Divulgation and dissemination of agricultural technologies	MINAG / Agricultural Extension	Total number of peasants assisted by the public extension services, including sub-contracting [IREL]	222300	222300	411000	Output	33
	<i>Promote the construction and rehabilitation of agricultural infra-structures (par. 531)</i>	Construction and rehabilitation of water collecting infra-structures for the agriculture sector	MINAG / Agricultural Services	Number of new irrigation hectares rehabilitated with public funds and put under the management of the beneficiaries. [IREL]	4000	3400	3000	Output	34
	<i>Improve the communities' access to natural resources in an equitable manner for sustainable usage and management (par. 533)</i>	Stocktaking, mapping of land occupation, use and utilization	MINAG / Lands and Forests	% of processes channelled and registered in 90 days [MINAG]	90%	95%	99%	Output	35
Roads	<i>Improve transitability (par. 570)</i>	Rehabilitation and maintenance of the network of national roads	MOPH	% of roads in good and reasonable conditions [ANE Report]	76%	77%	78%	Outcome	36

**ANNEX 3: INDICATORS IN THE PERFORMANCE ASSESSMENT FRAMEWORK (QAD / PAF) 2007 - 2009**

Pillar / Area	Objective	Achievements (Actions)	Responsibility of:	Indicator [Verification Source]	Target 2007	Indicative target 2008	Indicative target 2009	Type of indicator (Outcome/Output)	No of Ind
<b>CROSS-CUTTING ISSUES</b>									
HIV	<i>Prevent the transmission of HIV</i> (pars. 193 and 449)	Distribution of condoms, implementation of CNCS's national communication strategy and the expansion of vertical transmission prevention services	CNCS / MISAU	% (and number) of HIV positive pregnant women who have been receiving complete prophylaxis treatment in the last 12 months so as to reduce the risk of vertical transmission from mother to baby [MISAU]	13% (22500)	17% (30400)	22% (42000)	Output	37
Gender	<i>Promote gender equality and strengthen woman's empowerment</i> (pars. 192 and 193)	Inclusion of gender issues identified in the PARPA in the PES/OE and BdPES	Identified Ministries (in coordination with MMAS and MPD)	PES/OE and BdPES whereby the actions, budgets and progress in gender are reflected [Sector BdPES/OE and a conjunct MMAS evaluation]	MMAS, MISAU, MEC, MINAG, MINT, MOPH, MPD.	MMAS, MISAU, MEC, MINAG, MINT, MOPH, MPD.	MMAS, MISAU, MEC, MINAG, MINT, MOPH, MPD., MJ and MAE	Output	38
Rural Development	<i>Increase the competitiveness and the accumulation of the rural economy</i> (par. 237)	Coordination of the implementation process of the Local Economic Development Agencies	MPD - DNPDR	Cumulative number of operational Local Financial and Economic Development Agencies [DNPDR monitoring reports]	8	10	10	Output	39
Environment	<i>Improve spatial planning</i> (par. 205)	Elaboration and approval of district plans on the use of land	MICOA / MPD	Cumulative number of District Development Strategy Plans (PEDD) with an elaborated and approved integrated spatial component (use of land) [Sector BdPES]	26	33	40	Output	40

Note: \*Does not include financial operations when calculating the aims. The calculation of these percentage aims was obtained by adding the investment expenditure to the operation of each territorial unit, confronted with the total expenditure.

\*\* Depends on the approval of the law

**STANDARD FORMAT  
- EXTRACT OF THE  
EXTERNAL ASSISTANCE MANAGEMENT REPORT**

Delegation in: [Mention also countries covered by Delegation]	MOZAMBIQUE
Date of submission:	25th of January 2008
Number of report:	1
Number of pages (incl. Annexes):	25

**EXECUTIVE SUMMARY**

**Key messages from the Head of Delegation**

A) on **major positive issues and results achieved** as well as **obstacles encountered**;

**1. Finalisation, approval by the EDF Committee and signature of the 10<sup>th</sup> EDF CSP/NIP** by EC and government of Mozambique represent one of the main achievements in 2007. With an initial A-envelope of 622M€, the 10<sup>th</sup> EDF will start with an envelope equivalent to the total amount of 9<sup>th</sup> EDF funds for the country (600M€), including the incentive tranche on governance (25% of the initial allocation). The strategy gives priority to general budget support (46 to 50%), transport infrastructure (21%), agriculture and rural development (12 to 15%), complemented by non focal interventions in health, governance and trade (14%) and support to the PALOP programme (3%).

**2. The 9<sup>th</sup> EDF End of Term Review** was finalised and the financial decision to provide an additional amount of 50M€ for the A envelope was taken in March 2007, the Addenda of the CSP formalising this decision being signed in June. This additional envelope will allow for a budget support operation in 2008, which was all the more important to secure, as the 10<sup>th</sup> EDF programme of general budget support will most likely start in 2009.

**3.** The €12 million originally foreseen for electoral support were re-oriented towards the financing of three operations: complement of the financing of the population census, support to the health sector for 2008 and increase of the Beira sanitation project.

**4. The Delegation supported the organisation and participated actively in the Southern Africa Regional Seminar held in Maputo (11-15 November).** The seminar was considered to be very well organised and extremely valuable, as it allowed to cover a wide range of issues of common interest, as well as to discuss bilateral matters. For Mozambique, main conclusions were the excellent implementation of the 9<sup>th</sup> EDF, as well as an agreement on the preparation of the Annual Action Programme 2008.

**5. EU code of conduct for the division of labour:** The adoption of the EU code of conduct on division of labour and complementarity is considered as a positive step forward by the Delegation and the EU member states locally represented, who discussed it during EU cooperation meetings. However, the operationalisation of those broad commitments is a big challenge in a context of different time frame of strategies, of absence of a joint assistance strategy or EU joint programming, of the lack of government leadership in this area and of the necessity to coordinate with ongoing efforts being undertaken in other fora broader than the EU, in particular the G19. Despite these difficulties, substantial work has been conducted in order to have a detailed mapping of EC and EU MS sectors of support and future intentions. This will build blocks for the concrete implementation of the EU code of conduct. The Delegation has initiated internal discussions on how this can affect namely participation in working groups.

**6. Budget Support Reviews (Joint and Mid-Year Reviews):** the group of budget support donors (G-19) has developed a regular, comprehensive and structured policy dialogue with the Government on the basis of a set of agreed indicators (PAF). The Joint Review of April 2007 had mixed results on the performance of the previous year. It considered that the Mozambican economy continues to show solid growth, having achieved a real GDP growth rate of about 8.5% during 2006. Performance also continued to be good in 2006 with respect to the expansion of service delivery in health and education. The global assessment of Public Finance Management observed that the risks of the PFM system have diminished as reforms are being implemented, but continue to be considerable. The area of governance showed that progress in the implementation of cross cutting reforms in the public sector continues but at a too slow pace. The reform of the justice sector, the business environment, decentralisation, have been highlighted as areas of particular concern. The review concluded that the assessment offers a sufficient basis for the donors to maintain or increase the level of budget support. Based on this, the EC and the 18 other partners informed the Government of intended commitments concerning general and sector support to the State Budget of 2008.

A total amount of around 340 M€ was committed for general budget support by the G19 group of donors, out of which 46.5M€ come from the EC, representing about 14% of total GBS. During the JR, as in previous years, the EC Delegation played a pro-active role as being a permanent member of the “Troika +” steering group and as part (chair, co-chair or member) of different sector working groups.

**7. Country Strategy Evaluation and Results-Oriented Monitoring Missions:** A country level evaluation has been launched in January 2007 by AIDCO with the objective to evaluate the country strategy during the 9th EDF period. The Delegation raised concerns about the timing of this evaluation which was found to be too late to provide valuable input to the preparation of the 10<sup>th</sup> EDF CSP. Nevertheless, the exercise, which was concluded in December, confirmed the positive appreciation of the EC strategy in Mozambique, and the choice of orientations for the 10<sup>th</sup> EDF. However, the quality of the inputs given by the team of consultants was very heterogeneous, thus making in some cases valuable recommendations while in other cases they were made in an unfounded manner.

**8. Presentation of EU/Mozambique cooperation in Parliament:** On the initiative of the ECDPM financed by the Belgian cooperation, a three days event took place in the Mozambican Parliament to present and have an exchange of views on the EU cooperation with the country in the context of Cotonou. This proved to be very useful for the Parliamentarians. It was also an opportunity to have main Ministries involved (ex: Ministry of trade on the EPA issue). The conclusions revealed a wish from the Parliament to be more involved in the monitoring of EU aid and opened the door for a closer collaboration under the 10<sup>th</sup> EDF period.

**9. EPA:** on 23<sup>rd</sup> November 2007 in Brussels, senior negotiators from Commission and the Southern African Development Community (SADC) initialled an interim Economic Partnership Agreement including a WTO-compatible market access schedule and provisions on development co-operation and other issues. This agreement will apply initially to the EU side and to Botswana, Lesotho, Swaziland and Mozambique on the SADC side. Angola made clear its wish to join as soon as possible. South Africa will determine its participation in the agreement in the coming weeks. This agreement was later on initialled by Namibia. EU and SADC negotiators confirmed that the agreement was open to other parties in the region to join when they wished. Both sides agreed to continue negotiations towards a full EPA in 2008 and a rendezvous clause is included in the agreement to this effect.

**Please note: Delegations are asked to report with reference to the AMP objectives (see Annex E) whenever appropriate.**

## CO-ORDINATION WITH OTHER ACTORS

### 1. Co-ordination with other actors, including Member States

- See annex C

- **Interaction with other donors, including EU Member States**, is comprehensive and regular and takes place mainly through the participation in the different sectors working groups (more than 20!). Participation in such groups to improve coordination and harmonisation has become a major activity of the Delegation operational staff and is still quite heavy in terms of transaction costs. The group of 19 donors providing budget support to the Government of Mozambique (Programme Aid Partners - PAPs or G-18), has become the main forum for policy dialogue with GoM, meeting at various levels (HoM's, HoC's, economists, sector working groups, etc). Out of the 19 donors providing budget support, 14 are from the EU-15, all represented in Maputo. The EC is a regular member of the Troika+ for general budget support, which steers the process of annual reviews and upgrades the dialogue around BS to the highest political level. The Government is accountable on the terms of its performance assessment framework (PAF). Two joint annual reviews (Mid Year Review and Joint Review) are carried out in order to assess the performance of both parties. This harmonization framework is quite advanced and may be considered as a case of best practice.
- The **Programme Aid Partners** (G19) have made specific commitments concerning the manner in which they provide aid, in accordance with the Paris Declaration (2005), and are subject to an annual external assessment of their own performance. The overall performance of the PAPs in 2006 was considered mixed in the Joint Review of April 2007. Main area of progress concerned the use of the national Public Financial Management System. An area of concern is the global low proportion of programmatic aid (55% compared to target of 70%). The EC participated actively in this process through the preparation of its reply as PAP and through meetings held with consultant.
- As per 2007 data and regarding the focal areas of the CSP, the EC/EDF was among the top donors in macroeconomics support (the third in terms of disbursements), in agriculture (the 1<sup>st</sup>) and in transport infrastructure (one of the biggest with WB and BAD). In what concerns the non focal areas in the CSP, in health the EC/EDF was a relatively small donor in terms of annual amount (but important in terms of policy dialogue due to expertise devoted to chair the donor group in 2006/2007, the EC's credibility strengthened by the partners' request for extension of this leadership role until March 2008); in justice, although with one single project (access to justice, 10M€), the EC is viewed as one of the main donor of this sensitive sector (we also chaired the group for the last two years up to April 2007). For water and sanitation, due to the success of the water facility, our role and weight has been increasing, and EC accounts for approximately 15% of the total of the sector among 6 major donors.
- **CS 19**: the group of the 19 cooperation agencies in programming mode during 2006 or observing for future programming period ("Country Strategy 19") was set in late 2005 to improve effectiveness and complementarity of aid. The final report of the CS 19 delivered end 2006 provides an overview of the new 19 bilateral strategies. It is proposed that a joint steering GoM/donor group is set up to monitor issues raised and prepare new strategies. Participation of the EC in this group is recommended to improve coordination, complementarity and coherence in programming and implementation. The real challenge for EU MS is to place the EU code of conduct as the nucleus of coordination and harmonisation efforts, namely the CS19 initiative.
- Within this context of broad harmonisation efforts mainly around the BS donors, **the coordination with EU MS and the implementation of the EU code of conduct** have to find a way not to duplicate the work but to be flexible and "opportunistic", in order to select areas that can bring specific EU concerns forward and value added to the whole agenda (example: see below on the ODA Moz database). The new code of conduct on division of labour is a good opportunity for that as it can pave the way for donors – and not only EU MS - to make decisions related to the division of labour, putting in practice the good intentions expressed so far. EU Heads of cooperation are meeting more or less twice per semester and the DEL is trying to involve more and more the rotating EU Presidency.

- **Data base on ODA assistance to Mozambique/ Coordination & Harmonisation Roadmap:** The **Odamos database** (financed by the EC) was officially transferred to the Government in May 2007 (although financial support may still be required in the short run) and has been recognized by the Government and all the donor community as a unique and very useful instrument of transparency of external aid to Mozambique. It provides a clear picture of overall development assistance, allows analysis whether by sector, by modality, by donor or by geographic location, allows having reliable data on execution and on forecasts, to be used for planning activities and budgeting process. The development of this database ([www.odamos.org.mz](http://www.odamos.org.mz)) is considered as a great success in terms of harmonization.

- **Trade coordination working group:** The donor community present in Maputo has decided to establish a new specific group to work on specific trade policy issues that are currently marginally covered. The EC Delegation has volunteered to chair this sub-committee which started operations in September 2007. This group is a subgroup of the private sector working group.

- **Coordination and alignment at sector level:**

\* The Road Sector continued to have periodic (monthly) donor coordination meetings in Mozambique. Following the EC who chaired the road sector during 2005-2006 and based on the rotation principle, the African Development Bank (AfDB) has taken over from the chair of the Road Group since January 2007. Main core donors in the sector are EC, World Bank, AfDB, DFID, Sweden, Italy, Japan, Denmark and recently MCC. In the past two years, the Government (GOM) has played a proactive role in assuming the leadership of the sector in coordination with the donors through bi-annual monitoring meetings. For this reason, the donors are satisfied in particular with the GOM assignment of the President of the Road Fund as the coordinator of the Road Sector activities. Results of their work have led to the formalisation of the new Sector Wide Approach in the road sector covering the period 2007-2011, on whose basis was written the new FA on Road Maintenance and Capacity Building, signed in November.

\* Sector budget support to PROAGRI II in the context of the 9<sup>th</sup> EDF is now fully aligned with general budget support: the new MoU for Proagri II, signed in February 2007 by the 8 PROAGRI contributors (EC, IFAD, Canada, Sweden, Denmark, Finland, Ireland and Austria) was finalised during 2006 and allows for the PROAGRI flow of funds to qualify for a true sector budget support (all funds go through the Treasury, all procedures are government procedures, etc,...). EC will stay as a permanent co-chair of the donors' working group on agriculture, given its strong financial support and its involvement in the sector. Agriculture is known to be a sector where harmonisation and coordination are very efficient in Mozambique.

\* In the health sector the revised framework of collaboration with MoH was instituted with substantial success (clearer representativity and delegated responsibility; fewer participants in key operational meetings with the Ministry; making appropriate use of comparative strengths across the spectrum of partners; clearly separating the ToRs of process oriented, sector-wide operational, and technical working group fora; and rational alignment with the Ministry calendar). The EC was asked to extend its commitment as Focal Partner for the Health Sector until March 2008, both because of its proven competence and the absence of anyone to take over the role in November 2007. As from March 2008 DFID has been voted in as the new Focal Partner, with support from the EC and WHO as Vice-Focal Partner. It is hoped that the new MoU for Sector Budget Support will be signed by the end of the EC term as Focal Partner. Agreement was found on a common performance assessment framework (health sector PAF), to be used in the joint review of 2008 and form the basis of disbursements under the new MoU.

\* In Justice, despite the slow reform pace and the lack of clarity on strategic options (the Vision document is still in consultation process and the strategic plan is not ready), international partners seem to be convinced that the sector meets the minimum requirements to continue receiving support, though through projects and technical assistance. Donor coordination benefits from the established G-19 structure and has improved in 2006 with increased participation of members and contributions. The coordination between the international partners and the sector has also improved compared to the previous year. The EC chaired the group since June 2005 until April 2007.

\* **PALOP**: The MoUs with PALOP/Timor Leste and Comunidade de Países de Língua Portuguesa were signed during the Development Days in Lisbon in November. Given that the PALOP Governance initiative (33.1 M€) will be financed by a specific amount in the different NIPs, the current challenge is to devise an implementation model that is viable and effective. A study was made to identify sub-sectors of governance for future cooperation in the context of the 10<sup>th</sup> EDF that received a detailed set of comments from this Delegation. Internal coordination is ongoing, and the programming process should be finalised in the first semester. As to the 9<sup>th</sup> EDF, four projects have been approved, to the amount of 19,7M€ (Health, Employment and Vocational Training; Cultural Initiatives, Statistics II).

## OPERATIONAL ASPECTS

### 2. Project pipeline and work on new commitments

**For commitments**, efforts mainly focused on the preparation of pipeline projects in order to reach the planned commitments level, in a context of sunset clause for ending 9<sup>th</sup> EDF period.

\* Following the ETR decision to increase the 9<sup>th</sup> EDF A envelope by 50 M€, and following the decisions not to support the electoral process due to the fact that the conditions were not met and to reallocate the funds reserved for the road Milange/Mocuba that would not receive adequate funding from the RIP, a new pipeline was agreed with the NAO at the beginning of February 2007. The financing of it took into account the estimated de-commitments to be done from EDF projects before the end of March 2007.

\* The objective of de-commitments was reached with an important “cleaning” exercise made by the Delegation, the NAO and HQ, leading to an amount de-committed close to 40M€.

\* This allowed the following 7 projects and programmes to be prepared during the 1<sup>st</sup> semester 2007 for a global value of 97.3 M€:

- census support – 11M€
- BESTF– 5.75M€
- increase budget support – 42.92 M€
- increase Beira sanitation – 20M€
- rehabilitation road design study – 1.6M€
- health sector support 2008 – 3.85 M€
- road maintenance – 12.16M€

**All the above commitments were approved before the year end and hence Mozambique, besides meeting its target for global commitments in 2007, committed for the first time the totality of its NIP before the approval of the following EDF.**

In May 2007 the Financing Agreement for the Support to 2007 Population and Housing Census (9 ACP MOZ 30 – NIP € 11 million) was signed. Implementing agencies are the Instituto Nacional de Estatística (INE) and UNFPA.

In August the Commission approved the 3-years project BESTF (Business Environment Support & Trade Facilitation), and intervention in trade & private sector development of € 5.75 million (9<sup>th</sup> EDF funds). Overall objective is to promote export- led growth by alleviating trade-related and private sector constraints affecting the business environment, strengthening foreign trade capabilities of companies registered in Mozambique, as well as improving the investment climate of the country. Implementation will be jointly made with UNIDO (Framework Agreement). Signature of the FA was planned for 4<sup>th</sup> quarter of 2007 but congestion in HQ at the end of the year made it necessary to postpone it until 1<sup>st</sup> quarter 2008.



In order to cover budget support operations in 2008, a Rider to the PRBS III was signed on the 17<sup>th</sup> October 2007. The Rider foresees an increase of funds (€ 50 million allocated by the 9<sup>th</sup> EDF End of Term Review) and an extension of timing (from 2007 to 2008) of the original PRBS III programme. This will allow for a total disbursement of € 46.5 million in 2008, of which €30 million in the form of fixed tranche and € 16.5 million in form of variable tranche. This amount will be financed by the 9<sup>th</sup> EDF balance.

Two Financing Agreements on "Road Maintenance and Capacity Building" (€ 12,160 million) and "Feasibility Study and Detailed Design of the Beira to Machipanda Road" (€ 1,600 million) were signed on occasion of the Regional Seminar in November. Meanwhile, following the approval of the Rider to the FA increasing € 20 million to the available budget, the contracts for works, supervision and institutional capacity of Beira Sanitation Project were signed in August. In addition the successful response given by Mozambique to the Energy and Water facilities has resulted in the signing of three new contracts and a new Financing Agreement for the water sector worth about € 7.5 million, and of seven new contracts and a new Financing Agreement for the energy sector worth over € 25 million. Nevertheless, performances on implementation, while generally improved over the last 12 months, still consume a considerable amount of time in particular at the contracting and mobilization stages.

- **Rider to Financing Agreement 9 ACP MOZ 006 Health Sector Support Programme:** In line with the new pipeline agreed with the NAO, €3,850,000 will be made available to bridge the financing gap for support for the health sector for the one-year period between the closure of EDF 9 at the end of 2007 and start of EDF 10 in 2009 with a new modality of sector budget support. This will increase the predictability of aid to a sector where the EC is currently the focal partner, and where significant progress is evident. This Rider was signed in August 2007.

- Thematic **budget lines**, the scheduled calls for proposals were launched and successfully completed before the year end. All contracts (11) were signed before the deadline.

- **Multi Annual Indicative Programme 2007-2010 and Annual Action Programme 2007 for sugar accompanying measures.** On the basis of the EC commitments for each country benefiting from the sugar accompanying measures and on the EC sugar response strategy for Mozambique, the Delegation prepared the MIP (€ 6 million) and the AAP (all funds for the whole period to be committed in 2007). The instrument will be sector budget support.

- **Multi-annual food security Programme 2003-2005:** EC Del has also initiated the preparation for the last operations under the last annual convention signed in 2006: € 2 million for component 3 (support to rural finance institutions to facilitate commercialisation of agricultural products) and € 4 million for component 4 (support to producers' associations). Preparation of the 2 calls for proposals were finalised, allowing them to be launched early 2008.

- **EIDHR BL:** EC Del started preparation to launch the new CFP 2008 for an amount of € 300.000 (ToR, guidelines).

- Identify main activities undertaken in relation to preparation of new commitments (pipeline), including for non-deconcentrated projects and commitments under thematic budget lines.

- A Budget Support Road Map was elaborated and sent to Brussels as part of EC Del internal planning process and to provide a starting point for the preparation of the BS operations under the 10<sup>th</sup> EDF., This document analyses the fulfilment of eligibility criteria for budget support and it concludes that Mozambique is on the right track and BS (either GBS or SBS) can continue to be provided to the country.

Also see above the Feasibility Study and Detailed Design of the Beira to Machipanda Road which results will lead to the 10<sup>th</sup> EDF FP Beira/Machipanda.

### 3. Implementation

On the whole, the Delegation met or exceeded all its financial targets in 2007. As explained in point 2 of this report, 100% of the target on global commitments was attained (€ 97 million) Total contracted amount was € 191 million against a target of € 173 million (110% over target, EDF and Budget Lines combined). Furthermore, payments have been made during the reporting period totalling € 173 million against a target of 167 (104 %).

Looking critically at our global figures, we note however a certain over-performance on EDF which has somehow compensated the figures on budget lines which have been slightly under our previsions (in budget lines we attained 85% and 79% of our forecast in contracts and payments respectively, the latter caused mainly by lower disbursements in the Food Security budget line).

The above performance has allowed the Delegation to reduce its overall RAL by 14% from € 281 million at the beginning of 2007 (MOZ envelope only) to the current € 242 million. RAC has also been significantly reduced from € 182 million to 110 (-40 %). Moreover the Delegation has reduced its old RAL to its lowest level in years (€ 12.1 million at 31/12/07 down from 35 at the beginning of the year) achieving 81% of the ambitious target we had set for 2007. Old RAL has been constantly reduced from Jan-2005 (€ 65 million in 2005, down to 44 in 2006, 30 in 2007 and 12 at the end of 2007) which shows the constant efforts undertaken by the Delegation to tackle this old problem. The challenge is now to absorb the new old RAL which “appears” in 2008 when taking into account ongoing projects approved in 2002 (RAL for 2002 programmes totalling 13”new” millions at the time of drafting this report) and manage to keep old RAL at an acceptable level.

Main implementation issues can be outlined as follows:

- **Budget support** disbursement for 2007 under the PRBS III, € 43.13 million in total (fixed tranche € 25 million, variable tranche € 18.13 million) was made in July 2007 (although 2<sup>nd</sup> semester instead of first as planned). Such an amount represents about 15% of the total provision of general budget support for Mozambique by all donors in 2007.

- **Health:** Disbursements into common pools for the health sector had already been made on time and in full during the first semester 2007 so no further transfers were made.

- **Roads and Transport Infrastructure:** over the period, the current EDF portfolio of **active projects** in the infrastructure sector has reached a total value of over € 300 million.

The **Zambezi Bridge** project (9 ACP MOZ 14) broadly progressing in accordance with the work plan even if with an estimated delay of 3 months (first semester 2009). Additional € 5 million will be needed to complete the project, whose financing may in principle be ensured through 10<sup>th</sup> EDF.

- **Agriculture/food security:** In 2007, the Delegation disbursed € 12 million from the food security budget line (forecast € 16 million for the year). The major delays come from payments for the Foreign exchange facility for which documentation was received late. Payment will be processed in January after change of bank account in the system due to the introduction of the new metical.

It is to be noted that the implementation of the 2003-2005 Multi-annual food security programme still represents a large share of the workload of the concerned section (provincial outsourcing, outsourcing cotton-cashew, NGO projects from the last call for proposals) and will continue to do so (with the 2 calls for proposals to be launched in 2008).

- **Support to Proagri II** (9 ACP/MOZ/29): The financing agreement for the sector budget support to food security/ Agriculture has been signed in February by the Government. The first disbursement of € 5 million, though approved by Hqs late 2007, will be made only early 2008 (some conditions and reporting requirements were only met in July, therefore leading to delays on both DEL and Hqs assessment).

-**The Stabex Protocol of Implementation** (€ 4.3 million) was signed in June and the first payment was made in August (€ 1.5 million). This programme will support MINAG (National Institutes for Agricultural Research, for Cotton and for Cashew) to implement a research programme in 4 crops (cotton, cashew, cassava and potatoes) through budget support.

- Indicate the status of implementation of ongoing programmes (including thematic) by making reference to corresponding Implementation Reports in CRIS: identify major **results** (measured by **indicators on project / programme level** in July and January report and measured by **CSP-level indicators** in January report) and identify major **obstacles** and any remedial actions.
  - **UNDP Programme Support to Justice Sector** (9.ACP.MOZ 11 – NIP € 9.760.000): First Rider was signed, execution rate is satisfactory (average 80%), UNDP has improved performance compared to 2005 and 2006.
  - **PALOP**: TCF II (9 ACP MTR 003 - €2,5 million) (Chef de File Mozambique): the Delegation Mozambique continued managing the tender for the long term TA as foreseen in the coordination mechanism of TCF II (offers received 22 October 2007). PE 1 with a 12 month duration and amounting to € 64.501 was signed in October 2007 to finance EC/NAO bi-annual coordination meetings, training and workshops. Mozambique has updated the PALOP forecasts 2007-8 in coordination with the four PALOP delegations. A special and urgent effort has been made and should be continued by the PALOP delegations in charge of old projects to decommit and close.
  - **NAO support**: The 2<sup>nd</sup> Programme Estimate of the 9<sup>th</sup> EDF project of institutional support to the NAO (9.ACP.MOZ.04 – € 1.5 million) was signed in May 2007 for 18 months. Several methods were suggested by the ROM mission to improve the overall management of GON: to establish time sheets and time management plans, to set clear performance benchmarks and to organize quality check in GON (2nd layer). A joint meeting should take place to assess typical key problems (mistake pattern) and how to improve general collaboration. The Delegation Mozambique promoted a general technical meeting with NAO's services and a system for joint monitoring of projects has been put in place.
  - **Namacurra-Rio Ligonha** road rehabilitation (9 ACP MOZ 1 and MOZ 15 € 70 million): remains significantly delayed in Lots 1 and 2 (with an estimate delay of about 18 months over the programme), while works progressed satisfactorily in Lot 3, to be completed and formally handed over in February 2008. The Contractor for lots 1 and 2 was not in conditions to accelerate its unsatisfactory performances, bringing with the current situation of 8 months of delay and about 40 % of the work achieved. The contracting authority may exercise the termination clause of the contract. The contractor for lots 1 and 2 has submitted in December 2006 a huge amount of (mostly unjustified) claims, which have been reviewed and rejected by the Contracting Authority. The Delegation has requested the support of an independent advisor who made his assessment of the situation from January 13 to 23. Following this mission a protocol which would reprioritise the work and settle amicably the outstanding issues has been proposed to all the parties involved in order to bring the project to an acceptable outcome by December 2008.
  - The **Nampula-Nacala** (8 ACP MOZ15 - € 31 million) road rehabilitation is completed and awaiting the final invoice and final acceptance certificate. The remedial work for the last 5 km of the road in Nampula was carried out by the Contractor according to the satisfactory standards.
  - **Milange-Mocuba** (9 ACP MOZ 21 - € 1.5 million): the design work has started in July 2007 with the target of having the Financing Proposal for work ready by May 2008.
  - **Beira-Machipanda** (9 ACP MOZ 33- € 1.6 million) Following the compilation of the short list the tendering procedures for the recruitment of the consultant will be launched in February.
  - **Beira sanitation project** (9 ACP MOZ 18 – NIP € 52.95 million): All 3 components (works, supervision, TA for the institutional component) have been contracted with all the activities regularly ongoing.
  - **Road Periodic Maintenance and Capacity Building** (9ACP MOZ 2 € 14 million): the audit for the release of the third and last tranche of € 4 million has been contracted. TOR for the mid term assessment, which will also cover the assessment for the release of initial tranche of the just signed 9 ACP MOZ 32 (Road Maintenance and Capacity Building) have been prepared and are to be contracted through a Framework Contract during the first quarter of 2008.
  - **ZAMWAT Project** (8 ACP MOZ 19 – NIP € 9.2 million): An extension to the FA until end of June 2008 was granted. Some activities are ongoing and designed to create a suitable and responsive exit strategy.

- **Rural Telecommunications Network Improvement** (9 ACP MOZ 27 – NIP € 10.2 million): An extension to the FA until 31 March 2009 was granted. Despite the delay accrued, the installation of telecom equipment is completed in the sections of Inhambane South, Gaza North and East.

- **Water and Energy Facility** (9 RPR 39, 49, 50, 139, 202 - € 61 million) efforts during the 2nd semester of 2007 were mainly focused on the negotiation and contract preparation of Water Facility II Call and Energy Facility I Call projects in order to reach the planned commitments level. As a result, 9 grant contracts and 2 financing agreement were signed for an amount of about € 32.5 million. The implementation of the Maputo Water Supply Project (FIPAG) proceeds broadly on schedule, while new projects have been signed with Electricidade of Mozambique, FUNAE, the Ministry of Energy and the Water Department of the Ministry of Public Works.

- **Health Sector Support Programme** (8 ACP MOZ 33 - NIP € 9.55 Million): The financing agreement was extended to December 2009. The infrastructure projects (two hospitals and three health centres in Zambezia) are almost completed. Only power connections to the national Electricity lines (EDM) are missing as a result of the poor performance of the supervision team. Remedial action has been taken and connection should be established by April 2008. A new contract for the construction of 14 Health Centres in the peripheral network in Zambezia was awarded for an amount of € 3,1 million. It has been agreed with MoH that the last funding available under the infrastructure budget line will be used to upgrade the Gile Health Centre. The launch of the equipment tender was delayed when the Delegation identified shortcomings in the scope of the equipment (e.g., it did not include medical instruments) and errors in the technical specifications. The Delegation is working with MISAU on a definitive list, and it should be for launch in Q1 2008.

The Technical Assistance to the MISAU contract (GTZ) was extended until December 2008.

- The **Support to 2007 Population and Housing Census** (9 ACP MOZ 30 – NIP € 11 million) was implemented in August as per the plan. The post census survey indicates a high degree of accuracy (within 2%). The data is now being encoded and computerised. The EC is awaiting a financial report covering the census operations, which could result in a request for a budget revision. INE and UNFPA did not implement the visibility strategy.

- **Budget Lines:** 41 Concept Notes under the “NGO Co-financing” Budget Line were evaluated by the Delegation. 15 proposals were selected and have subsequently submitted full proposals for evaluation. Nine projects were selected by HQ and contracts signed during 2007. They cover education, microfinance, advocacy, community radio and vocational training. The submitted Concept Note for thematic programme "NSA & LA in Development" was approved by HQ, a local call for proposal for a total amount of € 3 million will have to be launched in 2008.

- Last payments and closing procedures for the EIDHR were done with important delays due to the vacancy of the Human Rights Officer until September 2007. The objective was to close 5 micro-projects (3 are closed and 2 on going) and 1 macro project (closed).

- **Results-Oriented Monitoring Missions:** 2 monitoring missions took place in 2007, covering projects both in EDF and budget lines, with global positive and constructive results. Task managers prepared response sheets and will follow up on recommendations.

#### 4. Evaluation

- Update Table 1 (Annex B).
- Report on activities concerning the evaluations planned in the AMP and initiatives taken to integrate evaluation findings into implementation. Explain delays and/or modifications to the evaluation plan (include evaluations carried out under the responsibility of the Delegation.)

##### Relevant evaluations:

- **Country evaluation of CSP/NIP under the 9<sup>th</sup> EDF period:** The evaluation exercise was launched at the end 2006, to identify key lessons for the upcoming 10<sup>th</sup> EDF programme. This evaluation will focus on the three focal sectors, Governance and HiV-Aids. Taking into account that the 10<sup>th</sup> EDF strategy has already been approved, it was suggested that this exercise should concentrate on implementation concerns and may impact on the 10<sup>th</sup> annual reviews. Draft final report was commented by DEL in June 2007 after the field visit of the consultants' team in Maputo. A workshop with a wide range of partners (government institutions, civil society, NGOs) was organised in October following which the final report was elaborated by the team leader of the mission and then commented on by the Delegation.

- **Audit-evaluation for the Foreign Exchange Facility of the Multi Annual Food Security Programme:** This last evaluation/audit of this kind started mid June 2007; it will provide valuable contributions for the institutional reform components for the 3 focal institutions (MINAG, MIC and INAM) for the last year of support in 2008 under this programme.

- **Final evaluation PROAGRI I:** launched by MINAG end of 2006; the final report was sent in June 2007. It shows *in extenso* that if the institutional strengthening of MINAG is a real success, impact at field level can still be improved through the provision of better services to the farmers.

- **Support to the Justice sector (9 ACP MOZ 11 – € 4 million):** the mid-term evaluation has been postponed from February 2008 to August/September 2008 because many of the project activities, in particular those involving civil society have started very recently and their impact is not yet effective.

#### OTHER

##### 11. Any other issues

- **Fisheries agreement:** The EC and Mozambique have signed at the end of 2006 a 5-year Fisheries Partnership Agreement (FPA), which is effective since 1 January 2007. Under this FPA, 45 longliners and 44 purse seiners can fish tuna species in Mozambican waters up to an annual quota of 10,000 tonnes. In return, the EU annual financial contribution is 900,000 € to support the Mozambique fisheries policy. In 2007, 39 tuna seiners and 28 tuna longliners were allowed to fish tuna in Mozambique.
- During the last fisheries protocol, (01.01.2003-31.12.2006), Mozambique received around 12 M€ which was devoted to the support of some activities, identified in the protocol. From these 12 M€, around 50% have not been disbursed at the end of the protocol.

*Signature:*      Glauco Calzuola  
                                 Head of Delegation

## **ANNEX a) 5 - OTHER INSTRUMENTS**

### **THE GLOBAL FUND AGAINST AIDS, TB AND MALARIA (GFATM).**

On AIDS the GF committed to disburse 3.86m USD to the National AIDS Council (CNCS) and it only disbursed 1m (25% - and at the end of December only). In Health the GF committed to disburse 49.38m USD to MISAU and it disbursed 41.33m (84%, but it all arrived very late in the year. A lot of work is needed to align the requests for GF monies with agreed annual government/donor disbursement cycles to improve predictability of funding. In 2008 the priority will also need to be to get the performance based reporting up and functioning.

There is an important need for a right balance between prevention, treatment and care. The establishment by the CNCS (National AIDS Council) Board of the Prevention Reference Group, a high level forum led by the Minister of Health, reaffirmed the necessity to put emphasis on prevention measures in Mozambique.

A Grant Management Agent has been contracted by CNCS for the management of grants to civil society, private and public sectors. There is a need to accelerate the disbursement of funds. An action plan in that respect was completed by CNCS and the GMA, and the full operationalisation of the new Grant Management System is planned to start in 2008. The full involvement of the GMA will be a pivotal development in terms of future CNCS performance related to funding to civil society, private sector and public sector. This is an opportunity also for CNCS to fully assume its mandate as coordinator of the national response.

### **STABEX**

The Framework of Mutual Obligations (FMO) was signed in July 2006 in Brussels, with an available amount of 4.3 M €. A short-term technical assistance was further requested by NAO, to assist the three STABEX implementing MINAG agencies, IIAM, IAM and INCAJU in the formulation of the Implementation Protocol and its annexes. The Action Plan and its main activities, as well as the Research Protocols and the Monitoring and Evaluation System, were all agreed within these Institutions and a local tender was launched in December/06 to recruit a Facilitator for STABEX Programme. By the time the Implementation Protocol was signed by the NAO, EC Head of Delegation and MINAG in June 2007, Maputo, the Facilitator has been appointed and started his duties in September. The first disbursement of 1.5 M € was performed in August and reached the institutions approximately three months later. Only IAM, the cotton institute was able to conduct most of its planned activities, as was benefited of advanced funds from other sources. The other institutions, IIAM and INCAJU did have to return the funds received back to MINAG, to allow the 2007 accountability closure. So far, these three institutions are waiting for the opening of new year accounts, to start last year's planned activities of agricultural research in cotton, cashew, cassava and potato. It is foreseen an extension of about 1.5 years in STABEX Programme, up to 31 December 2010 of operational implementation phase, during which two more disbursements will be made. A rider may need to be done during

the course of this year, to accommodate the extension period and the interests generated meanwhile.

## **SUGAR**

The Financing Agreement for the implementation of the first phase of the Sugar Accompanying Measures (€0.562M) was signed by the Ministry of Agriculture in February 2007. The elaboration and approval by all Mozambican parties of a Memorandum of Understanding for the implementation of the sugar action plan, which was one of the preconditions for the release of EC funds, was finalised in August 2007. While full implementation is expected to start in February 2008, after the first release of the EC funds, some preliminary activities have already taken place under the initiative of the sugar mills, particularly in the areas of cane expansion under small scale out-grower schemes and training & skills development. During the same period, the action plan for the second phase of the Measures (2007/10, 6M€) was prepared and approved. The relevant Financing Agreement was signed by the Commission in December 2007.

## **WATER AND ENERGY**

### **Water**

Beira Sanitation Project (9 ACP MOZ 18/31, €52,95M) has three components: works (divided into four lots), supervision services and technical assistance for the capacity building. Works contracts (Lots 1, 3 and 4) and Lot 2 are ongoing as well as for supervision services and TA. The major constraint is the identification of an option for the construction of water treatment facility in Beira (Lot 2) for which the supervisor and the Contracting Authority are looking for a viable alternative to the original design (due to inconsistencies in geotechnical data) to determine the nature and the load capacity of the soils where the water treatment facility can be placed.

The Financing Agreement of the project Capacity Building Project for the Integrated Development of the Water Resources Management and Rural Water Supplies in the Zambezi River Basin (€11.6 M, 8.ACP.MOZ.019) has been extended until the 30 June 2008. The project continued the implementation by means of the fourth Programme Estimate during 2007. Activities were orientated towards improving the performance of the Water Authority for the Zambezi River, such as finishing the reparation of the hydrometric network, of construction of the office building and elaboration of provincial strategic plans for rural water and sanitation. Some recommendations generated after the mid term review for good achievement of the project's activities were partially provided.

During the year 2007, the management of ARA Zambeze has substantially improved through strengthening of the River Basin Committee and progress on the implementation of the Protocol of cooperation between ARA Zambeze and HCB on water management.

## **Water Facilities, 1st and 2nd call for proposal**

As a result of the two calls for proposal launched in 2006 and 2007, eight grants contracts were signed for a total amount of € 37,1 M. In this portfolio, the most important project is Maputo Water Supply that will provide rehabilitation, reinforcement and expansion of the water system of the district of Maputo, the capital of Mozambique. The entire amount of the project is € 95 M co-financed by EIB for 26 M, EC € 25 M, ADF (French Development Agency) and ORET (Dutch Government) for € 6, 6 M each. A GoM contribution of € 11,1 M will fund VAT payment. The remaining projects are mainly addressed to water supply and sanitation together with capacity building of the rural local authorities.

The Delegation is also dealing with further 7 projects in the 1<sup>st</sup> and 2<sup>nd</sup> Call for Proposals (CfP) of water facility.

The project awarded to **FAO** is focused on a new strategic planning for the management of water resources in the irrigation system, project of €0.35 Mio, 25% co-financed by the Government of Mozambique.

The € 5,30 Mio financing agreement with the **National Directorate of Water (DNA)** is financed by EC 50% and by the Ministry of Environment of Italy for the remaining 50%. The project focusses on the sustainable management of 5 small pipe water systems in the province of Inhambane.

5 projects are mainly dedicated to the improvement of access to the safe water and sanitation by increasing the hygiene facilities in the rural villages of district and peri-urban areas of Mozambique:

**UNICEF** improves the sustainable access to water and sanitation facilities in the peri-urban poor areas of Zambezia and Sofala provinces by a project of €5.5 Mio of which 50% is co-financed by them.

**AGA Khan Foundation** is working for the development of a sustainable access to drinkable water and sanitation in the province of Cabo Delgado with a projects of €2,3 Mio of which EC finances 75%

**INTERAIDE** is also improving the access and sanitation but with special emphasis on the reinforcement of the hygiene practices of the poor inhabitants of rural areas in the province of Nampula. This project of €2,4 Mio is financed by EC 75% and 25% by Agence Française de Développement. **WATERAID** is concentrating in the peri-urban district of Maputo Capital by a €1,7 Mio project co-financed by EC 75% and that organisation 25%.

**Red Cross Federation** is also present with a €2,1 Mio, 74% financed by EC and the remaining by Finnish and Norway Red Cross, and operate in Nampula with a strong impact on hygiene practices promotion.



### **Energy Facility – 1st Call for Proposal**

As a result of the 2007 first call for proposal, seven grants contracts were signed for a total amount of 24,5 M€. Three of them, for 17,2 M€, relate to purely infrastructure works of electrification of some district in the poorest rural areas in the North of the country. Two projects are concentrating on the electrification of small rural facilities (mainly hospital) by means of photovoltaic technology. One project is dedicated to the Institutional Building of the Ministry of Energy.

### **EC-MOZAMBIQUE FISHERIES AGREEMENT**

The EC-Mozambique Fisheries Partnership Agreement entered into force on 1 January 2007 for a period of five years. It provides fishing opportunities for EU 84 purse seiners and 85 surface longliners to fish tuna in Mozambican waters, which are set out in the Protocol attached to this Agreement. The quota for tuna and related species is 10.000 tons following the scientific advice of the IOTC and in response to requests from Member States. In return, the annual EU financial contribution is 900,000 €, fully earmarked for support to the Mozambican fisheries policy. In addition to the financial contribution from the Community a payment of more than 300,000 € is expected from ship owners in the form of licence fees. An EC/Mozambique joint fisheries technical committee is expected to meet once a year to evaluate the impact of compensation funds in the support to development of fisheries sector.

During the last fisheries protocol, (01.01.2003-31.12.2006), Mozambique received around 12 M€ which was devoted to the support of some activities, identified in the protocol. From these 12 M€, around 50% have not been disbursed at the end of the protocol.

### **THEMATIC BUDGET LINES**

During 2007, the total envelope for the budget lines Co-financing, Anti-personnel Mines, Environment and Health was €25,600,000. This includes nine new NGO-Co-financing contracts awarded during the year. During 2007, the two contracts supporting actions against Anti-personnel mines ended, and with the EC's involvement in the sector. The results have been generally favourable in terms of relevance, efficiency and effectiveness.

Although complementarity with the country programme is not a requirement for financing, it is particularly evident in the health sector, where NGOs are acting as service providers in line with government policy. While the projects are certainly increasing the capacity of local actors, most partners face problems with sustainability at the end of the grant. This tends to undermine the long term impact of the project interventions.

During 2007 Mozambique was selected a priority country for the new thematic programme 'Non State Actors and Local Authorities in Development, and will launch a call for proposals for the 2007 budget allocation of €3,000,000 in early 2008. The local theme will stress innovative ideas to secure sustainable service provision, promotion of common property resource management, and supporting organisations that advocate for their membership. It will be open to a wide range of local and EU actors.

## **PALOP – PORTUGUESE SPEAKING COUNTRIES**

The regional programme PALOP II was signed in 1997 to help the five countries concerned to make best use of their respective assets and their common economic, social and cultural resources with a view to promoting their integration into the world economy and thereby contributing to their modernization and development. The three main focal areas of cooperation are institutional development together with central and local public administration; employment and training and culture. The three non focal areas are statistics, educational system, tourism and environment. The financial envelope amounts to €30 M. The programme has registered significant delays in project preparation and implementation.

In the annual meeting EC-PALOP held in Brussels in January 2006, it was decided to make the Mozambique NAO the PALOP Permanent Regional Authorising Officer, responsible for the overall coordination of the programme and assisted by a unit within his services financed by the means of a Programme Estimate. A Steering Committee conformed by the five NAO will meet annually and review progress. Moreover, the pipeline was also finalised, and a chef de file was agreed for each of the projects.

As to the 9<sup>th</sup> EDF, three ongoing projects (Statistics, Justice, and Public Administration) proved to be relevant and running at good speed, and Statistics and Justice will have a second phase. The Technical Cooperation Facility (coordination structure including long term TA and programme estimates) under the responsibility of Mozambique was signed in January 2007 and four other projects have been recently approved, to the amount of 19,7M€ (Health, Employment and Vocational Training; Cultural Initiatives, Statistics II).

The PALOP Governance initiative (33.1 M€) will be financed by a specific amount in the different NIPs. The MoUs with PALOP/Timor Leste and Comunidade de Países de Língua Portuguesa were signed during the Development Days in Lisbon in November. The current challenge will be to operationalise the implementation model against that background. A study was made to identify sub-sectors of governance for future cooperation in the context of the 10<sup>th</sup> EDF that received a detailed set of comments from this Delegation. Internal coordination is ongoing, and the programming process should be finalised in the first semester of 2008.

Mozambique has been since January 2006 the RAO for the PALOP programme. The MoUs for the PALOP Governance initiative in the context of the 10<sup>th</sup> EDF (33.1 M€) with PALOP&Timor Leste and also Comunidade de Países de Língua Portuguesa were signed during the Development Days in Lisbon in November. A study was made to identify sub-sectors of governance for future cooperation and the programming process should be finalised in the first semester of 2008 (see main text, Chapter 3).

## **The Education For All Fast Track Initiative (FTI) Catalytic Fund**

Mozambique has engaged in a sector wide approach (SWAP) since 1998. Its first strategic plan (ESSPI) officially ran from 1999 – 2003 (and was extended to 2005). Focus has been on improved access and completion rate of primary education; improved access for girls to primary education; expanded network of primary schools; better qualified teachers. A sector support fund (FASE) was created to support the implementation of the sector programme and became operational in 2003. The Minister of Education has called upon all donors to prioritise FASE as the most important channel to financing the implementation of the education programme. The EC had not previously supported the Education Sector in Mozambique through the EDF. However, this changed as a result of the Rider to the Rural Development Programme. Under this Rider 17.35 M € was foreseen as direct support to FASE over the period 2004 – 2006(7). Of this 2.85 M € was part of the EC contribution to the Education for All - Fast Track Initiative. The EC is now the third largest donor globally to the FTI Catalytic Fund, with DGs DEV and AIDCO represented on its governing body.

In May 2007, the FTI Catalytic Fund Committee (CFC) made a new allocation of US\$79 million over 3 years to Mozambique. There followed extensive discussions by government and members of the local education donor group to agree on the preferred grant modality. A pooled fund mechanism called FASE is in place.

Due to issues related to procurement, the World Bank was unable to join this pooled fund under its current arrangements. The lead agency, the Netherlands, and the World Bank, brought the issue back to the CF Committee in December 2007. The following options were presented to the CF Committee for guidance: (i) an addendum/amendment is made to the MOU, which would allow the World Bank to participate in the pooled fund arrangement under FASE – this option was not presented by the donor group, but rather a response by the WB to our request that the WB accepts the MoU as it is (possibly by making FTI funds as policy lending...); (ii) the CF grant is channelled through General Budget Support, with proposed mechanisms to guarantee that funds accrue to the Education Sector; or (iii) an alternative Supervising Entity (other than the Bank) is selected. The government of Mozambique expressed preference for the use of FASE.

The World Bank responded by proposing a technical annex to the MoU on procurement issues that would allow the WB to sign the MoU which would raise the prior review threshold for procurement and ensure that only a minimum number of contracts would be subject to prior review. The Committee reiterated the key principle of the FTI Partnership, i.e. the country-level process. Thus it was agreed that the final decision on this issue would be made at the country level by the government and its local donor group. The Committee urged that such a final agreement be reached shortly in order to avoid further delays. The Committee confirmed its agreement that a Supervising Entity other than the World Bank may be chosen if needed, and recommended that the local donor group examine carefully all issues and implications down the road if this option is chosen.

To date, it appears that these issues have not yet been fully resolved and remain a matter of serious concern to all stakeholders. "

## **EIB**

Given its substantial loan portfolio in Mozambique (above EUR 400 million in signed loans), the European Investment Bank (EIB) in 2007 put more emphasis on the monitoring of its existent operations while being more selective in the identification of new ones. Regarding the existent portfolio, in 2007 it should be highlighted the beginning of disbursements for the Maputo Water Supply project (EUR 2 million in 2007, from a total loan of EUR 31 million).

In terms of new operations, the EIB has a particular focus on projects where it can bring value added and where it can cooperate with the EC. Accordingly, during 2007 the EIB worked jointly with the local EC Delegation on the identification of operations in the sugar and infrastructures sector (transports and energy). Prospects for the near future are that the EIB will continue to be present in the same areas, seeking a close cooperation with the EC and making more use of resources like the EC-Africa Infrastructure Trust Fund, which aims specifically at regional integration and development. The support to operations in the private sector will also continue to be targeted by the EIB given the important contribution that this sector can have for growth, employment creation and poverty reduction.

The EIB operates in Mozambique with different types of resources and instruments, namely: i) standard senior loans from its own resources ii) risk capital from the Investment Facility (sourced from the European Development Fund, which makes available senior loans, subordinate loans, quasi-equity, equity, guarantees, venture capital schemes) and in the past also had special loans on EC mandate (exceptional operations). Operations financed by the EIB can be either on the public or private sector; the activity sectors vary, including energy, water supply, mining, industry, tourism, banking/finance, agro-processing, telecommunications and fisheries”.

**ANNEX b) 1 - 9th EDF AS PER CLOSURE FINANCIAL YEAR 2007**

	Period 2002-2005		Period 2006-2007		Period 2002-2007	
	IN	OUT	IN	OUT	IN	OUT
<b>Available Resources</b>						
Initial Programmable Resources 2002-07 (Env. A)	274,00				274,00	
Transfers from 6-7-8 EDF (June 2003)	23,36				23,36	
Additional Programmable Resources MTR	205,25				205,25	
Additional Programmable Resources ETR			50,00		50,00	
<b>Programmable Resources</b>	<b>502,61</b>		<b>50,00</b>		<b>552,61</b>	
Decommitments 2002-05	6,01				6,01	
Other Decommitments 2006-2007			40,06		40,06	
<b>Total Decommitments</b>	<b>6,01</b>		<b>40,06</b>		<b>46,07</b>	
<b>Total Available Resources</b>	<b>508,62</b>		<b>90,06</b>		<b>598,68</b>	
<b>Use of Resources</b>						
PRBS II		150,00				150,00
Electoral Tranches		16,40				16,40
PRBS III		95,00				95,00
General Budget Support - Bridge 2008				42,92		42,92
<b>Sub-total Macroeconomic Support</b>		<b>261,40</b>		<b>42,92</b>	<b>51%</b>	<b>304,32</b>
Namacurra-Rio Ligonha		65,00				65,00
Rural Roads		6,00				6,00
Road Fund		14,00				14,00
Increase of Ceiling Post-Flood Gaza		1,90				1,90
Namacurra-Rio Ligonha Increase		5,00				5,00
Zambeze River Bridge		25,00				25,00
Limpopo Railway		6,00				6,00
Beira Sanitation		32,95				32,95
Milange-Mocuba-Design Study				1,50		1,50
Road fund support				11,80		11,80
Beira Sanitation increase Rider				20,00		20,00
Beira-Machipanda Design				1,60		1,60
<b>Sub-total Infrastructures</b>		<b>155,85</b>		<b>34,90</b>	<b>32%</b>	<b>190,75</b>
Food Security Programme 2006-07		0,00		35,00		35,00
<b>Sub-total Agriculture &amp; Food Security</b>		<b>0,00</b>		<b>35,00</b>	<b>6%</b>	<b>35,00</b>
Justice sector programme		10,00				10,00
Health support		25,00				25,00
NAO Support		1,50				1,50
Technical Cooperation Facility I		1,00				1,00
Non State Actors				4,00		4,00
Manhiça Hospital				3,00		3,00
Technical Cooperation Facility II				2,00		2,00
Health support 2008				5,00		5,00
Population Census				11,00		11,00
Business Environment Support & Trade				5,75		5,75
<b>Sub-total outside focal sectors</b>		<b>37,50</b>		<b>30,75</b>	<b>11%</b>	<b>68,25</b>
<b>Total Use of Resources</b>		<b>454,75</b>		<b>143,57</b>	<b>100%</b>	<b>598,32</b>
<b>Balances</b>	<b>508,62</b>	<b>454,75</b>	<b>90,06</b>	<b>143,57</b>	<b>598,68</b>	<b>598,32</b>
<b>Differences</b>		53,87		-53,51		0,36

EC Delegation in Mozambique-May 2007

## ANNEX b) 2 - 9th EDF sectoral breakdown

\* Includes Water and Energy facilities + Emergency assistance

Strategy for Africa	European Concensus	Sub Sector and part SBS	in euro x 1000 total cumulative commitments 31.12.07
Human rights and governance	governance,human rights and support to economic and institutional reforms	<b>governance</b>	21.000
		economic and institutional reforms	15.000
		Non State Actors	4.000
Peace and security	conflict prevention and fragile states	conflict prevention and fragile states	
Economic growth, regional integration and trade	trade and regional integration	European Partnership Agreements	
		regional economic integration	
		private sector development	5.750
	infrastructure,communication and transport	infrastructure,communication and transport	136.190
	water and energy	water	89.970
	energy	24.670	
	unspecified		
investing in people	social cohesion and employment	social cohesion and employment	
	environment and sustainable management of natural resources	environment and sustainable management of natural resources	
	rural development, territorial planning, agriculture and food security	rural development and territorial planning	
		agriculture	35.000
		food security	
	human development	health	31.850
		primary education	
		education unspecified	
other	TCF	TCF	3.000
	support to NAO	support to NAO	1.500
	unspecified	Emergency assistance	5.000
Budget Support	GBS	General Budget Support	294.480
<b>TOTAL</b>	<b>TOTAL</b>	<b>TOTAL</b>	<b>667.410</b>
Level of sector concentration	percentage of 9th EDF commitments covered by largest sectors of concentration plus GBS	largest sector + GBS	65%
		Two largest sectors + GBS	78%
		Three largest sectors + GBS	83%
		Four largest sectors + GBS	88%
		Five largest sectors + GBS	92%
		nr of sectors + GBS to reach 85% of NIP	3,5
		sectors (NSA and GBS excluded)	11

DEV/C1 29/11/07

Annex b) 3 - REGIONAL PROJECTS PALOP

IDENTIFICATION				CURRENT DATA (END 2007)	
YEAR of GLOB. Commit.	ACCOUNTING NUMBER of GLOBAL COMMITMENT	TITLE GLOBAL COMMITMENT	END date of implementat°	GLOBAL COMMIT.	INDIV. COMMIT
				AMOUNT ONGOING INDIV. COMMIT.	PAYMENTS ON ONGOING INDIV. COMMIT.
1994	7 ACP RPR 349	Promotion Du Commerce Exterieur et des Investissements.	20001231	2.007.478	1.876.736
1994	7 ACP RPR 350	Centre Regional de Formartion de Cadres Infirmiers.	20030731	2.570.065	2.537.720
2001	8ACP TPS122	Support to the Development of Statistical Systems in PALOP	20071231	500.000	448.907
2001	8 ACP TPS 126	Strenghtening the Capacity o the Public Administrations	20081231	1.500.000	1.196.664
2001	8 ACP MTR 03	Support to the Development of Statistical Systems in PALOP	20071231	1.800.000	1.799.777
2001	8 ACP MTR 05	Strenghtening the Capacity of the Public Administrations	20081231	3.300.000	3.298.809
2003	8 ACP MTR 07	Formationand Coordination Programme PALOP	20040731	6.857	6.857
2001	8 ACP MTR 04	Support to the Development of the Judicial System	20090630	3.500.000	3.500.000
2001	8 ACP TPS 123	Support to the Development of the Judicial System	20090630	1.500.000	1.500.000
2005	9 ACP MTR 01	PALOP Technical Co-operation Facility	20101031	470.000	282.889
2006	9 ACP MTR 02	Prorogation de la Convention de Financement avec Augmentation	20090630	3.000.000	2.115.884
2006	9 ACP MTR 03	PALOP Technical Co-operation Facility II	20131231	2.500.000	411.105
2007	9 ACP MTR 05	Statistics PALOP II	20141231	2.000.000	0
2007	9 ACP MTR 06	Appui aux Initiatives Culturelles dans les PALOP	20131231	3.000.000	0
2007	9 ACP MTR 07	Projet d'appui aux Secteur de Formation Professionnelle	20150630	1.500.000	0
2007	9 ACP MTR 08	Projet d'appui aux Secteur de Formation Professionnelle	20150630	3.200.000	0
2007	9 ACP MTR 04	Support to the Development of Human Resource for Health	NEW	10.000.000	0
<b>TOTAL ON ONGOING GLOBAL COMMITMENTS</b>				<b>42.354.401</b>	<b>18.975.348</b>

## Loans from Risk Capital Resources

Loan no	Project	Convention	Signed on	Status	Sector	Nace code	Amount signed	Amount Disbursed	Amount Cancelled	Amount Outstanding
70654	LOMACO PROJECT	Lome - Convention 3	19/05/1987	Fully Reimb	Section D : Manufacturing	PREPARATION AND SPINNING OF COTTON-TYPE FIBRES	3.000.000,00	3.000.000,00		0
70754	MOZAMBIQUE CEMENT	Lome - Convention 3	8/11/1988	Fully Reimb	Section D : Manufacturing	MANUFACTURE OF CEMENT	6.000.000,00	6.000.000,00		0
70817	BANCO DE MOCAMBIQUE	Lome - Convention 3	18/07/1990	Fully Reimb	Section Z : Global Loans, Grouped Loans	GLOBAL LOANS	6.000.000,00	1.902.000,00	4.098.000,00	0
70906	COMPANHIA DO CAJU DE NACALA	Lome - Convention 4	22/12/1992	Disbursed	Section D : Manufacturing	PROCESSING AND PRESERVATION OF FRUITS AND VEGETA	3.000.000,00	3.000.000,00		3.000.000,00
70915	ANCUABE GRAPHITE MINE PROJECT	Lome - Convention 4	28/06/1993	Disbursed	Section C : Mining And Quarrying	OTHER MINING AND QUARRYING N.E.C.	2.900.000,00	2.900.000,00		221.764,66
70916	ANCUABE GRAPHITE MINE III	Lome - Convention 4	9/07/1993	Disbursed	Section C : Mining And Quarrying	OTHER MINING AND QUARRYING N.E.C.	450.000,00	450.000,00		0
70962	PESCAMAR	Lome - Convention 4	26/07/1994	Fully Reimb	Section B : Fishing	FISHING	6.000.000,00	4.742.937,00	1.257.063,00	0
70965	CAHORA BASSA SOUTH AFRIC - B	Lome - Convention 4	7/09/1994	Disbursed	Section E : Electricity, Gas And Water Supply	HIGH-VOLTAGE TRANSMISSION	20.000.000,00	16.571.896,81	3.428.103,19	2.149.945,12
71051	ANCUABE GRAPHITE MINE II	Lome - Convention 4	30/05/1996	Disbursed	Section C : Mining And Quarrying	OTHER MINING AND QUARRYING N.E.C.	500.000,00	500.000,00		38.235,34
71106	MOZAL ALUMINIUM SMELTER	Lome - Convention 4 - prot.2	22/06/1998	Disbursed	Section D : Manufacturing	OTHER NON-FERROUS METAL PRODUCTION	19.000.000,00	16.108.865,41	2.891.134,59	16.108.865,41
20139	MOTRACO C	Lome - Convention 4 - prot.2	29/06/1999	Disbursed	Section E : Electricity, Gas And Water Supply	HIGH-VOLTAGE TRANSMISSION	8.200.000,00	8.200.000,00		8.200.000,00
20186	MONAPO	Lome - Convention 4 - prot.2	28/07/1999	Disbursed	Section D : Manufacturing	MANUFACTURE OF REFINED OILS AND FATS	1.000.000,00	1.000.000,00		1.000.000,00
20353	MARAGRA SUGAR B (SS)	Lome - Convention 4 - prot.2	30/11/1999	Disbursed	Section D : Manufacturing	MANUFACTURE OF SUGAR	3.500.000,00	3.500.000,00		2.187.500,00
20363	PRIVATE SECTOR SUPPORT MOZAMBIQUE	Lome - Convention 4 - prot.2	1/12/1999	Disbursed	Section Z : Global Loans, Grouped Loans	GLOBAL LOANS	10.000.000,00	5.589.920,00	4.410.080,00	1.224.023,45
20907	TDM TELECOMMUNICATIONS	Lome - Convention 4 - prot.2	28/12/2000	Disbursed	Section I : Transport, Storage And Communication	MOBILE TELECOMMUNICATIONS NETWORK	6.000.000,00	6.000.000,00		4.000.200,00
21061	PRIVATE SECTOR SUPPORT - EQUITY FUND	Lome - Convention 3	30/05/2001	Disbursed	Section Z : Global Loans, Grouped Loans	GLOBAL LOANS	2.923.292,80	982.226,38	1.941.066,42	982.226,38
21219	EDM BEIRA STUDY	Lome - Convention 4 - prot.2	20/09/2001	Disbursed	Section E : Electricity, Gas And Water Supply	PRODUCTION AND DISTRIBUTION OF ELECTRICITY	1.000.000,00	373.981,53	626.018,47	299.185,21
21398	MOZAL II	Lome - Convention 4 - prot.2	11/12/2001	Disbursed	Section D : Manufacturing	OTHER NON-FERROUS METAL PRODUCTION	20.900.000,00	13.160.711,00	6.839.289,00	12.314.485,90
21844	ACCOR AMORIM HOTELS	Lome - Convention 4 - prot.2	10/12/2002	Disbursed	Section H : Hotels And Restaurants	HOTELS AND MOTELS, WITH RESTAURANT	4.000.000,00	4.000.000,00		4.000.000,00
22127	MOTRACO II	Lome 4b-add res (comm.)	2/07/2003	Signed	Section E : Electricity, Gas And Water Supply	HIGH-VOLTAGE TRANSMISSION	580.000,00	0		0
22127	MOTRACO II	Lome - Convention 3	2/07/2003	Signed	Section E : Electricity, Gas And Water Supply	HIGH-VOLTAGE TRANSMISSION	1.170.000,00	0		0
22604	MOMA TITANIUM MINERALS	Cotonou agreement	18/06/2004	Disbursed	Section C : Mining And Quarrying	QUARRYING OF SAND AND CLAY	15.000.000,00	15.000.000,00		15.000.000,00
22605	MOMA TITANIUM MINERALS	Cotonou agreement	18/06/2004	Disbursed	Section C : Mining And Quarrying	QUARRYING OF SAND AND CLAY	40.000.000,00	40.000.000,00		51.024.509,96
22733	MOZ/RSANATURAL GAS-UPSTREAM COMPONENT	Cotonou agreement	22/10/2004	Disbursed	Section C : Mining And Quarrying	NATURAL GAS PRODUCTION AND DEVELOPMENT	10.000.000,00	10.000.000,00		8.733.309,01
23084	MOMA TITANIUM C	Cotonou agreement	30/06/2005	Disbursed	Section C : Mining And Quarrying	QUARRYING OF SAND AND CLAY	2.750.000,00	2.750.000,00		2.782.847,22
23252	MOZAMBIQUE-SOUTH AFRICA NATURAL GAS	Lome 4b-add res (comm.)	15/11/2005	Disbursed	Section C : Mining And Quarrying	NATURAL GAS PRODUCTION AND DEVELOPMENT	16.100.000,00	16.100.000,00		16.100.000,00
23252	MOZAMBIQUE-SOUTH AFRICA NATURAL GAS	Lome 4b-add res (comm.)	15/11/2005	Disbursed	Section I : Transport, Storage And Communication	GASLINES	18.900.000,00	18.900.000,00		18.900.000,00
23573	MAPUTO WATER SUPPLY	Cotonou agreement	21/07/2006	Signed	Section E : Electricity, Gas And Water Supply	DRINKING WATER SUPPLY	31.000.000,00	0		0
23743	ECOCIMENTO FIBRE CEMENT	Cotonou agreement	5/12/2006	Signed	Section D : Manufacturing	MANUFACTURE OF BRICKS, TILES AND CONSTR.PRODUCTS	1.300.000,00	791.930,83		791.930,83
<b>TOTAL RISK CAPITAL RESOURCES</b>							<b>260.273.292,80</b>	201.524.468,96	25.490.754,67	169.059.028,49

## Loans from the Bank's Own Resources

Loan no	Project	Convention	Signed on	Status	Sector	Nace Code	Amount signed	Amount Disbursed	Amount Cancelled	Amount Outstanding
17647	MOZAL ALUMINIUM SMELTER	Lome - Convention 4 - prot.2	13/07/1998	Disbursed	Section D : Manufacturing	ALUMINIUM PRODUCTION	38.000.000,00	37.050.947,21	949.052,79	17.889.967,17
20132	MOTRACO A	Lome - Convention 4 - prot.2	28/06/1999	Disbursed	Section E : Electricity, Gas And Water Supply	HIGH-VOLTAGE TRANSMISSION	19.900.000,00	19.900.000,00		12.321.552,81
20352	MARAGRA SUGAR A (SO)	Lome - Convention 4 - prot.2	30/11/1999	Disbursed	Section D : Manufacturing	MANUFACTURE OF SUGAR	3.500.000,00	3.500.000,00		2.070.250,00
20906	TDM TELECOMMUNICATIONS	Lome - Convention 4 - prot.2	28/12/2000	Disbursed	Section I : Transport, Storage And Communication	MOBILE TELECOMMUNICATIONS NETWORK	3.000.000,00	3.000.000,00		1.927.800,00
21883	MOTRACO II	Lome - Convention 4 - prot.2	20/12/2002	Disbursed	Section E : Electricity, Gas And Water Supply	HIGH-VOLTAGE TRANSMISSION	10.000.000,00	10.000.000,00		8.578.267,71
21987	MOZAMBIQUE-SOUTH AFRICA NATURAL GAS A	Lome - Convention 4 - prot.2	28/03/2003	Disbursed	Section C : Mining And Quarrying	NATURAL GAS PRODUCTION AND DEVELOPMENT	23.000.000,00	23.000.000,00		17.916.668,37
21987	MOZAMBIQUE-SOUTH AFRICA NATURAL GAS A	Lome - Convention 4 - prot.2	28/03/2003	Disbursed	Section I : Transport, Storage And Communication	GASLINES	27.000.000,00	27.000.000,00		21.032.610,70
<b>TOTAL OWN RESOURCES</b>							<b>124.400.000,00</b>	123.450.947,21	949.052,79	81.737.116,76

## Loans from the Commission

Loan no	Project	Convention	Signed on	Status	Sector	Nace Code	Amount signed	Amount Disbursed	Amount Cancelled	Amount Outstanding
80390	REHAB. CAHORA-BASSA	Lome - Convention 3	10/07/1995	Fully Reimb	-	-	15.000.000,00	7.226.233,60	7.773.766,40	-
<b>TOTAL COMMISSION</b>							<b>15.000.000,00</b>	7.226.233,60	7.773.766,40	-
<b>GRAND TOTAL</b>							<b>399.673.292,80</b>			



## ANNEX b) 5 USE OF BUDGET SUPPORT (General Sector)

Project Nr	Project Title	Amount
<b>GENERAL BUDGET SUPPORT</b>		
9.ACP.MOZ.016	Poverty Reduction Budget Support III (UTRAFE/ SISTAFE)	2.000.000,00
9.ACP.MOZ.016	Poverty Reduction Budget Support III	18.126.000,00
9.ACP.MOZ.016	Poverty Reduction Budget Support III	25.000.000,00
<b>Total EURO</b>		<b>45.126.000,00</b>
<b>HEALTH</b>		
9.ACP.MOZ.006	Health Sector Support Project (Prosaúde)	1.845.000,00
9.ACP.MOZ.006	Health Sector Support Project (EC Provincial)	1.200.000,00
9.ACP.MOZ.006	Health Sector Support Project (FCMedicamentos)	3.700.000,00
<b>Total EURO</b>		<b>6.745.000,00</b>
<b>ROAD FUND</b>		
8.ACP.MOZ.018	Mozambique Rural Development Programme (10 Road Fund bridges Zambezia )	1.127.874,00
9.ACP.MOZ.002	Road periodic maintenance and capacity building programme 1 - contribution	4.000.000,00
<b>Total EURO</b>		<b>5.127.874,00</b>
<b>PROAGRI (AGRICULTURE)</b>		
Food 2357	Multiannual Programme 2000-2002, year 2002 Tranche MADER	1.804.990,00
Food 5776	2004 MINAG	1.500.000,00
Food 5776	Multiannual Programme 2003-2005, year 2003 Tranche MIC	250.000,00
Food 16902	Foreign Exchange Facility 2004 MINAG 2007	5.000.000,00
Food 17787	Foreign Exchange Facility 2005	1.120.000,00
SUGAR	Sugar	550.000,00
<b>Total EURO</b>		<b>10.224.990,00</b>
<b>GRAND TOTAL</b>		<b>67.223.864,00</b>

Annex c) 1 - MIS Table (2007) Indicative Timetable for Disbursements

IDENTIFICATION					CURRENT DATA (END 2007)						FORECASTS - 2007/2008								
Year GC/IC	ACCOUNTING Nb. GC	GC (N+3)	IC #	END IMP GC/IC	TITLE	Cumulated 31/12/2007		Actual Performance 31 December 2007		Realised 2nd Semester 2007		FORECAST 1st Sem 2007		FORECAST 2nd Sem 2007		FORECAST 1st SEM 2008		FORECAST 2nd SEM 2008	
						GC / IC	PAY	GC / IC	PAY / RO	GC / IC	PAY / RO	GC / IC	PAY	GC / IC	PAY	GC / IC	PAY	GC / IC	PAY
<b>7th EDF</b>																			
1992	7 ACP MOZ 019			Dec-02	EMERGENCY SUPPORT FOR ROADS REHABILITATION AND WATER SUPPLY	11.450.956	11.450.956												
2001	7 ACP MOZ 019		11	May-02	MARPLES CONSTRUCTION MZM 80.060.494.596 PART I	3.460.854	3.460.854	0	0	0	0	0	0	0	0	0	0	0	0
Total Individual Commitment 7 ACP MOZ 019						3.460.854	3.460.854	0	0	0	0	0	0	0	0	0	0	0	0
1993	7 ACP MOZ 043			NA	RECONSTRUCTION AND RESETTLEMENT PROGRAMME	12.000.000	11.961.659												
2001	7 ACP MOZ 043		24	Dec-02	VISAO MUNDIAL	230.478	184.382	0	0	0	0	0	0	0	0	0	0	0	0
2002	7 ACP MOZ 043		25	Jan-02	ACTION AID; 166.166 EUR; MAC/11/01/EC	166.166	132.933	0	0	0	0	0	33.233	0	33.232	0	0	0	0
2002	7 ACP MOZ 043		26	Nov-02	ACCAO AGRARIA ALEMA; 174.370 EUR; MAC 10/01/EC	175.000	139.496	0	0	0	0	0	0	0	0	0	0	0	0
Total Individual Commitment 7 ACP MOZ 043						571.644	456.811	0	0	0	0	0	33.233	0	33.232	0	0	0	0
1993	7 ACP MOZ 047			Dec-03	ROADS REHABILITATION PROGRAMME ZAMBEZIA AND SOFALA PROVINCES	31.450.000	31.218.454												
1995	7 ACP MOZ 047		1	Oct-02	LAMONT - TA MAC 21/95/EC	1.589.384	1.451.219	0	0	0	0	0	40.000	0	30.000	0	0	0	0
2001	7 ACP MOZ 047		5	Dec-01	MARPLES CONSTR.; 80.060.494.596 MZM PART 2 ON 7.MOZ.47/5	3.155.288	3.155.288	0	0	0	0	0	0	0	0	0	0	0	0
2005	7 ACP MOZ 047		6	Jun-06	LAMONT-SUPPORT TO ANE IN CONTRACTUAL DISPUTE	32.598	0	0	32.598	0	0	0	33.200	0	0	0	0	0	0
2005	7 ACP MOZ 047		7	Dec-05	BICON ENGINEERING CONCILIATOR FOR CONTRACTUAL DISPUTE	15.771	15.771	0	15.771	0	0	0	16.000	0	0	0	0	0	0
2001	7 ACP MOZ 047		5->8	Dec-01	MARPLES CONSTR.; 80.060.494.596 MZM PART 2 ON 7.MOZ.47/5	1.056.354	0	0	0	0	0	0	1.123.361	0	1.056.354	0	0	0	0
Total Individual Commitment 7 ACP MOZ 047						5.849.395	4.654.875	0	48.369	0	0	0	1.212.561	0	1.086.354	0	0	0	0
1994	7 ACP MOZ 050			Dec-99	RETURN & REINTEGRATION QUALIFIED AFRICAN NATIONALS PHASE III	400.000	400.000												
1994	7 ACP MOZ 050		1	NA	OIM VOIR 7 RPR 287	400.000	216.739	0	0	0	0	0	0	0	0	0	0	0	0
Total Individual Commitment 7 ACP MOZ 050						400.000	216.739	0	0	0	0	0	0	0	0	0	0	0	0
1995	7 ACP MOZ 077			Dec-05	RURAL HEALTH SYSTEM REHABILITATION	21.284.126	20.980.124												
1998	7 ACP MOZ 077		6	Feb-99	DP 1998 - PROVINCIAL	756.531	756.531	0	0	0	0	0	0	0	0	0	0	0	0
1998	7 ACP MOZ 077		7	Feb-99	DP 1998 - CENTRAL	86.633	86.633	0	0	0	0	0	0	0	0	0	0	0	0
1999	7 ACP MOZ 077		10	Apr-00	WP 05/99-04/00 - PROVINCIAL	1.703.464	1.703.464	0	0	0	0	0	0	0	0	0	0	0	0
1999	7 ACP MOZ 077		11	Apr-00	WP 05/99-04/00 - CENTRAL	71.142	71.142	0	0	0	0	0	0	0	0	0	0	0	0
2003	7 ACP MOZ 077		25	Dec-05	NICHOLAS LTD; 27.277.846.042 MZM; LC 07/02/EC	1.354.282	1.354.282	0	0	0	0	0	200.000	0	0	0	0	0	0
2003	7 ACP MOZ 077		26	Mar-03	PRICE WATERHOUSE COOPERS	9.480	9.480	0	0	0	0	0	0	0	0	0	0	0	0
2003	7 ACP MOZ 077		27	Oct-03	COMPANIE MEDICALI RIUNITE SPA; MZM 1.405.000.000	55.384	55.384	0	0	0	0	0	0	0	0	0	0	0	0
2003	7 ACP MOZ 077		29	Mar-04	S.R.NICHOLAS; MZM 5.240.562.698.68	207.000	182.141	0	0	0	0	0	24.437	0	18.000	0	0	0	0
2003	7 ACP MOZ 077		30	Dec-05	S.R.NICHOLAS; MZM 102.740.551.351	2.718.378	2.718.378	0	0	0	0	0	0	0	0	0	0	0	0
2003	7 ACP MOZ 077		31	Apr-05	TECHSULT INTERNATIONAL; MZM 1.310.166.000	52.100	24.340	0	0	0	0	0	27.760	0	27.760	0	0	0	0
2003	7 ACP MOZ 077		32	Nov-03	UNIT EXPORT; 1.251.855.933.79 MZM	49.347	49.347	0	0	0	0	0	0	0	0	0	0	0	0
2005	7 ACP MOZ 077		38	Sep-05	MEDICAL EQUIPMENT-SIEMENS LOT A4	276.903	276.903	0	27.690	0	27.690	0	27.690	0	27.690	0	0	0	0
2005	7 ACP MOZ 077		39	Dec-05	MEDICAL EQUIPMENT-SIEMENS LOT A5	67.121	67.121	0	0	0	0	0	0	0	0	0	0	0	0
2005	7 ACP MOZ 077		40	Dec-05	MEDICAL EQUIPMENT-GLOBE LOT A1	679.168	679.168	0	67.917	0	67.917	0	68.749	0	67.917	0	0	0	0
2005	7 ACP MOZ 077		41	Dec-05	MEDICAL EQUIPMENT-GLOBE LOT A2	431.329	431.329	0	43.133	0	43.133	0	43.804	0	43.133	0	0	0	0
2005	7 ACP MOZ 077		42	Dec-05	MEDICAL EQUIPMENT-SOTUX LOT A3	134.721	134.721	0	0	0	0	0	0	0	0	0	0	0	0
2004	7 ACP MOZ 077		35->44	Dec-05	PROJECTA - SUPERVISION PHASE B LOT 1	67.397	67.397	0	6.403	0	0	0	27.664	0	0	0	0	0	0
2004	7 ACP MOZ 077		36->45	Dec-05	TECNICA LDA- SERVICE SUPERVISION LOT 2	25.485	25.485	0	25.485	0	0	0	10.869	0	0	0	0	0	0
2005	7 ACP MOZ 077		42->46	Dec-05	MEDICAL EQUIPMENT-SOTUX LOT A3	13.017	13.017	0	0	0	0	0	17.279	0	0	0	0	0	0
2003	7 ACP MOZ 077		30->47	Dec-05	S.R.NICHOLAS; MZM 102.740.551.351	201.627	0	0	0	0	0	0	0	0	150.000	0	0	0	0
2003	7 ACP MOZ 077		25->48	Dec-05	NICHOLAS LTD; 27.277.846.042 MZM; LC 07/02/EC	291.927	181.140	0	181.140	0	181.140	0	200.000	0	291.182	0	0	0	0
2007	7 ACP MOZ 077			NEW	Project Evaluation	0	0	0	0	0	0	0	100.000	60.000	0	40.000	0	0	0
Total Individual Commitment 7 ACP MOZ 077						9.252.437	8.887.404	0	364.785	0	319.880	0	648.252	100.000	685.682	0	40.000	0	0
1995	7 ACP MOZ 080			Oct-98	REINSERTION SOCIALE PROVINCES DE ZAMBEZIA & NIASSA.	5.504.179	5.504.179												
2002	7 ACP MOZ 120			Dec-05	BEIRA SANITATION PROJECT-DESIGN	1.427.832	1.427.832												
2004	7 ACP MOZ 120		1->2	Apr-05	SEURECA - REHABILITATION OF SANITATION	466.403	417.388	0	155.076	0	0	0	161.000	0	20.000	0	0	0	0
Total Individual Commitment 7 ACP MOZ 120						466.403	417.388	0	155.076	0	0	0	161.000	0	20.000	0	0	0	0
1995	7 ACP RPR 380			RPR	NA	BEIRA-INCHOPE ROAD REHABILITATION(CF 7 MOZ 66)	20.000.000	15.028.865											
2005	7 ACP RPR 380		5	Nov-05	DESIGN & TENDER DOSSIER FOR FLOOD DAMAGED SECTIONS	87.900	0	0	0	0	0	0	0	0	0	0	0	0	0
2007	7 ACP RPR 380		6	Dec-07	PETER DRUMMOND - TA to ANE Ext. Period Execution Contract MAC 09/03/EC	233.358	0	0	233.358	0	233.358	0	133.258	33.258	0	100.000	0	0	0

Annex c) 1 - MIS Table (2007) Indicative Timetable for Disbursements

IDENTIFICATION					CURRENT DATA (END 2007)						FORECASTS - 2007/2008								
Year GC/IC	ACCOUNTING Nb. GC	GC (N+3)	IC #	END IMP GC/IC	TITLE	Cumulated 31/12/2007		Actual Performance 31. December 2007		Realised 2nd Semester 2007		FORECAST 1st Sem 2007		FORECAST 2nd Sem 2007		FORECAST 1st SEM 2008		FORECAST 2nd SEM 2008	
						GC / IC	PAY	GC / IC	PAY / RO	GC / IC	PAY / RO	GC / IC	PAY	GC / IC	PAY	GC / IC	PAY	GC / IC	PAY
2008	7 ACP RPR 380			NEW	Beira Inchope Rehabilitation	0	0	0	0	0	0	5.204.000	2.000.000	0	0	4.500.000	900.000	0	2.000.000
Total Individual Commitment 7 ACP RPR 380						321.258	0	233.358	0	233.358	0	5.204.000	2.000.000	133.258	33.258	4.500.000	1.000.000	0	2.000.000
1995	7 ACP RPR 437		MTR	Dec-02	FONDS BIBLIOGRAPHIQUE.	1.936.402	1.936.402												
1998	7 ACP RPR 437		1->2	Dec-02	CONTRAT_TEXTO EDITORA	162.517	162.517	0	25.597	0	0	0	59.634	0	0	0	0	0	0
Total Individual Commitment 7 ACP RPR 437						162.517	162.517	0	25.597	0	0	0	59.634	0	0	0	0	0	0
2001	7 ACP RPR 775		RPR	Aug-01	FINANCIAL AUDIT OF COST ESTIMATE 1 OF PROJECT 7 RPR 135	8.521	8.521												
<b>8th EDF</b>																			
1998	8 ACP MOZ 006			Dec-06	SADC REGIONAL MONITORING, CONTROL & SURVEILLANCE OF FISHING	2.280.000	2.186.914												
2001	8 ACP MOZ 006		1	Feb-06	NAM/SADC-MCS/01/2001 - LUX-DEVELOPMENT - 6.133.585,39 MAD	1.123.000	1.030.034	0	0	0	0	92.966	0	92.966	0	0	0	0	0
2005	8 ACP MOZ 006		7	Mar-06	COMMITMENT REQUEST DD 13SEP05 FROM NAM DEL	486.000	243.000	0	0	0	0	0	0	0	0	0	0	0	0
Total Individual Commitment 8 ACP MOZ 006						1.609.000	1.273.034	0	0	0	0	92.966	0	92.966	0	0	0	0	0
1999	8 ACP MOZ 014			Jun-06	EU-MOZAMBIQUE PRIVATE SECTOR DEVELOPT. PROG.	2.039.512	2.039.512												
2003	8 ACP MOZ 014		1	Sep-05	INT.DEVELOP.ASS.- WORLD BANK GROUP; 4.400.000 EUR	1.760.000	1.760.000	0	0	0	0	0	0	0	0	0	0	0	0
2005	8 ACP MOZ 014		3	Sep-05	PRIVATE SECTOR DEVELOPMENT - CTA SME TRAINING PROJECT	244.685	212.680	0	0	0	0	0	0	0	0	0	0	0	0
Total Individual Commitment 8 ACP MOZ 014						2.004.685	1.972.680	0	0	0	0	0	0	0	0	0	0	0	0
1999	8 ACP MOZ 015			Dec-05	NAMPULA TO NACALA ROAD REHABILITATION	31.100.011	31.100.011												
2001	8 ACP MOZ 015		2	Nov-05	GRINAKER LTA; 254.364.270.028 MZM; LC 02/01/EC	22.919.476	22.919.476	0	0	0	0	0	0	0	0	0	0	0	0
2003	8 ACP MOZ 015		4	Dec-05	ARCUS GIBB; 18.571.837.000 MZM; MAC 03/03/EC	978.086	936.919	0	0	0	0	41.167	0	41.167	0	0	41.167	0	0
2005	8 ACP MOZ 015		7	Dec-05	KAMPSAX-FINAL EVALUATION	74.975	61.994	0	0	0	0	0	0	12.981	0	0	0	0	0
2001	8 ACP MOZ 015		1->8	Dec-05	LAMONT; 24.875.584.700 MZM; MAC 01/01	147.111	32.763	0	32.763	0	32.763	0	80.000	0	80.000	0	0	0	0
2001	8 ACP MOZ 015		2->9	Nov-05	GRINAKER LTA; 254.364.270.028 MZM; LC 02/01/EC	3.522.667	441.083	0	441.083	0	0	3.500.000	0	2.300.000	0	0	0	0	0
Total Individual Commitment 8 ACP MOZ 015						27.642.315	24.392.235	0	473.846	0	32.763	3.621.167	0	2.392.981	0	41.167	0	0	
1999	8 ACP MOZ 018			Dec-07	MOZAMBIQUE RURAL DEVELOPMENT PROGRAMME	28.741.098	28.304.069												
2004	8 ACP MOZ 018		4	Dec-07	HEALTH - FUNDO COMUN PROVINCIAL	2.500.000	2.500.000	0	0	0	0	0	0	0	0	0	0	0	0
2006	8 ACP MOZ 018		7	Nov-06	TRANSTEC - TA - Design and Implementation Applied	123.014	123.014	0	46.155	0	0	50.000	0	0	0	0	0	0	0
2004	8 ACP MOZ 018		2->8	Dec-07	SCOTT WILSON Managing Consultant Feeder Roads & Bridges	1.094.279	695.808	164.508	546.135	0	424.903	200.000	0	450.000	0	150.000	0	0	0
2006	8 ACP MOZ 018		10	Dec-07	PE2 - ROAD FUND - Bridges in Zambesia	3.174.722	1.018.986	0	1.018.986	0	0	1.000.000	0	800.000	0	700.000	0	500.000	0
2005	8 ACP MOZ 018		6->11	Aug-06	PE1 - ROAD FUND - Bridges in Zambesia	151.070	108.888	0	108.888	0	0	0	0	0	0	0	0	0	0
2007	8 ACP MOZ 018		12	Dec-07	UNICEF - District Planning in Inhambane	2.000.000	1.600.000	2.000.000	1.600.000	0	0	2.000.000	1.800.000	0	0	0	0	0	400.000
2007	8 ACP MOZ 018		13	Mar-08	KPMG - AUDIT PES 1 AND 2	16.826	0	16.826	0	0	0	2.000.000	1.800.000	0	0	0	0	0	0
Total Individual Commitment 8 ACP MOZ 018						9.059.910	6.046.696	2.181.334	3.320.165	0	424.903	4.000.000	4.850.000	2.125.000	1.250.000	850.000	900.000	0	
2000	8 ACP MOZ 019			Dec-07	WATER RESOURCES MGMT/RURAL WTR SUPPLIES ZAMBESI RIVER BASIN	9.239.901	9.168.829												
2004	8 ACP MOZ 019		7	Apr-05	PROGRAMME ESTIMATE N2	747.187	747.187	0	0	0	0	0	0	0	0	0	0	0	0
2006	8 ACP MOZ 019		11	May-06	PRICE WATERHOUSE - Audit to WP2 (ZAMWAT); MAC 13/05/EC	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2006	8 ACP MOZ 019		12	Aug-06	Cowi - Mid-Term Evaluation Zamwat Project	65.489	65.849	0	21.955	0	0	29.263	0	0	0	0	0	0	0
2006	8 ACP MOZ 019		9->13	May-07	PROGRAMME ESTIMATE N3	1.400.149	1.396.815	0	944.740	0	0	732.720	0	0	0	0	0	0	0
2002	8 ACP MOZ 019		3->14	Aug-07	SEED; 48.080.705.254 MZM; MAC/03/02/EC	1.079.641	451.646	125.652	259.061	125.652	105.879	200.000	0	350.000	0	300.000	0	0	0
2006	8 ACP MOZ 019		11->15	May-06	PRICE WATERHOUSE - Audit to WP2 (ZAMWAT); MAC 13/05/EC	17.493	17.493	0	17.493	0	1.694	19.458	0	3.658	0	0	0	0	0
2007	8 ACP MOZ 019		17	Dec-07	PROGRAMME ESTIMATE N4	2.170.000	989.353	2.170.000	989.353	0	827.608	2.362.572	590.000	1.000.000	0	500.000	0	0	0
Total Individual Commitment 8 ACP MOZ 019						5.479.960	3.668.344	2.295.652	2.232.602	125.652	935.181	2.362.572	1.571.441	1.353.658	800.000	0	0	0	
2000	8 ACP MOZ 024			Dec-05	POST-FLOOD RECONSTRUCTION PROGRAMME IN GAZA PROVINCE	17.522.875	17.522.875												
2004	8 ACP MOZ 024		19->21	Dec-05	MOTT MAC DONALD - LIMPOPO STUDY	612.540	116.196	0	95.962	0	94.804	100.000	0	300.000	0	200.000	0	0	0
Total Individual Commitment 8 ACP MOZ 024						612.540	116.196	0	95.962	0	94.804	100.000	0	300.000	0	200.000	0	0	0
2002	8 ACP MOZ 033			Dec-07	HEALTH SECTOR SUPPORT PROGRAMME	30.000.000	24.441.472												
2003	8 ACP MOZ 033		3	Jan-04	MINISTRY OF HEALTH; MZM 7.213.923.923; PLANO DE TRABALHO 1	198.262	198.262	0	0	0	0	0	0	0	0	0	0	0	0
2004	8 ACP MOZ 033		6	Dec-07	PROSAUDE	2.270.000	2.270.000	0	0	0	0	0	0	0	0	0	0	0	0
2004	8 ACP MOZ 033		7	Dec-07	FUNDO COMUN PROVINCIAL	1.500.000	1.500.000	0	0	0	0	0	0	0	0	0	0	0	0
2004	8 ACP MOZ 033		8	Dec-07	FUNDO COMUM MEDICAMENTOS	6.000.000	6.000.000	0	0	0	0	0	0	0	0	0	0	0	0
2005	8 ACP MOZ 033		12	Mar-06	SEED-ELABORATION OF TENDER DOSSIER PURCHASE EQUIPMENT	43.926	27.893	0	14.283	0	13.610	21.530	0	28.000	0	0	0	0	0
2005	8 ACP MOZ 033		17	Jun-06	NICHOLAS- WORKS PHASE B LOT 2	321.120	321.120	0	0	0	0	400.000	0	0	0	0	0	0	0

## Annex c) 1 - MIS Table (2007) Indicative Timetable for Disbursements

IDENTIFICATION					CURRENT DATA (END 2007)						FORECASTS - 2007/2008										
Year GC/IC	ACCOUNTING Nb. GC	GC (N+3)	IC #	END IMP GC/IC	TITLE	Cummulated 31/12/2007		Actual Performance 31. December 2007		Realised 2nd Semester 2007		FORECAST 1st Sem 2007		FORECAST 2nd Sem 2007		FORECAST 1st SEM 2008		FORECAST 2nd SEM 2008			
						GC / IC	PAY	GC / IC	PAY / RO	GC / IC	PAY / RO	GC / IC	PAY	GC / IC	PAY	GC / IC	PAY	GC / IC	PAY	GC / IC	PAY
2006	8 ACP MOZ 033		18	Aug-06	RUI SERRA - TA to Ministry of Health - MAC 02/06/EC	4.999	4.999	0	2.500	0	0	0	2.500	0	0	0	0	0	0	0	
2005	8 ACP MOZ 033		10->19	Dec-07	CPG-ELABORATION OF DETAILED DESIGN, TENDER DOSSIER AND SUPERVISION WORKS LOT 3 & 8	179.618	25.226	0	12.036	0	12.036	0	13.000	0	13.000	0	0	0	0	0	
2004	8 ACP MOZ 033		9->20	Dec-07	CENTRAL ELABORATION OF TENDER DOSSIER AND SUPERVISION WORKS LOT 1 & 2	184.423	15.704	0	9.448	0	3.913	0	13.250	0	30.000	0	66.250	0	66.250		
2005	8 ACP MOZ 033		13->21	Dec-07	CPAG-ELABORATION OF DETAILED DESIGN TENDER DOSSIER AND SUPERVISION WORKS-LOT 4 & 5	214.000	26.327	0	12.605	0	12.605	0	13.000	0	13.000	0	0	0	0	0	
2005	8 ACP MOZ 033		14->22	Apr-06	NICHOLAS-WORKS PHASE B LOT 1, MILANGE	765.566	722.276	0	270.919	0	246.222	0	142.654	0	124.912	0	164.600	0	0	0	
2005	8 ACP MOZ 033		16->23	Aug-07	PROJECTA-SUPERVISION WORKS LOT 1, MILANGE	80.776	65.089	0	23.593	0	17.773	0	17.000	0	17.000	0	0	0	0	16.459	
2005	8 ACP MOZ 033		15->24	Aug-07	TECNICA-SUPERVISION WORKS LOT 2, ZAMBEZIA	149.277	98.444	29.611	66.469	29.611	0	0	10.000	50.000	20.000	0	36.222	0	15.000	0	
2003	8 ACP MOZ 033		5->25	Oct-07	GTZ,MZM 74.798.872.410	3.319.436	759.738	704.430	0	704.430	0	0	470.000	0	1.000.000	0	800.000	0	0	0	
2006	8 ACP MOZ 033		26	Dec-07	HTC Mozambique Consulting - MAC 07/09/EC	89.712	24.042	0	24.042	0	7.087	0	30.000	0	47.400	0	16.150	0	9.206	0	
2007	8 ACP MOZ 033		27	Dec-07	PE2 - MINISTRY OF HEALTH (20/04/2007-05/12/2007)	1.224.672	351.781	1.224.672	351.781	0	0	1.297.291	389.187	0	500.000	0	0	0	0	0	
2007	8 ACP MOZ 033		28	Jun-08	CMC AFRICA AUSTRAL - Construction 14 Health Centres in Zambezia	3.039.234	911.770	3.039.234	911.770	0	911.770	0	0	0	664.000	0	720.000	0	720.000	0	
2005	8 ACP MOZ 033		17->29	Jun-06	NICHOLAS- WORKS PHASE B LOT 2	1.987.123	0	435.248	0	0	0	0	400.000	0	300.000	0	0	0	641.000	0	
2008	8 ACP MOZ 033		30	Jan-08	KPMG - SISTEM AUDIT PE2 - Ministry of Health	11.198	0	11.198	0	11.198	0	0	0	5.000	1.000	10.000	6.000	10.000	6.000	0	
2008	8 ACP MOZ 033			NEW	Medical Equipment - Lot 1	0	0	0	0	0	0	2.200.000	220.000	0	0	1.650.000	990.000	0	0	0	
2008	8 ACP MOZ 033			NEW	Medical Equipment - Lot 2	0	0	0	0	0	0	886.000	215.000	0	0	350.000	210.000	0	0	0	
2008	8 ACP MOZ 033			NEW	Works Lots 3 & 8	0	0	0	0	0	0	0	0	0	0	2.400.000	240.000	0	760.000	0	
2007	8 ACP MOZ 033			NEW	Study to Support MTEF	0	0	0	0	0	0	0	0	200.000	0	0	120.000	0	40.000	0	
2007	8 ACP MOZ 033			NEW	TA to DPS Zambezia	0	0	0	0	0	0	0	0	160.000	80.000	0	50.000	0	30.000	0	
<b>Total Individual Commitment 8 ACP MOZ 033</b>						<b>21.583.341</b>	<b>13.322.671</b>	<b>5.444.393</b>	<b>1.699.446</b>	<b>745.239</b>	<b>1.225.015</b>	<b>4.383.291</b>	<b>2.357.121</b>	<b>415.000</b>	<b>2.838.312</b>	<b>4.410.000</b>	<b>3.419.222</b>	<b>10.000</b>	<b>2.303.915</b>	<b>0</b>	
2002	8 ACP MOZ 041			Mar-07	POVERTY REDUCTION BUDGET SUPPORT II (PRBS II) 2002-2005	17.524.243	17.523.837														
2005	8 ACP MOZ 041		8	Mar-07	IDC - EU COORDINATION & HARMONISATION	160.000	95.959	0	0	0	0	0	64.041	0	64.041	0	0	0	0	0	
2006	8 ACP MOZ 041		9	Apr-06	STUDY ON THE VAT REFUND SITUATION IN PUBLIC WORKS	100.204	99.624	0	38.012	0	0	0	38.591	0	0	0	0	0	0	0	
2005	8 ACP MOZ 041		5->10	Mar-06	PROGRAMME ESTIMATE N2 - RELANÇAMENTO CEDT DNPO, MPF	3.743	3.743	0	0	0	0	0	0	0	0	0	0	0	0	0	
<b>Total Individual Commitment 8 ACP MOZ 041</b>						<b>263.947</b>	<b>199.326</b>	<b>0</b>	<b>38.012</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>102.632</b>	<b>0</b>	<b>64.041</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>9th EDF</b>																					
2003	9 ACP MOZ 001		Oct-06	Dec-10	REHABILITATION OF THE NAMACURRA - RIO LIGONHA ROAD	65.000.000	64.981.846														
2005	9 ACP MOZ 001		2	Jun-08	CPG-SUPERVISION LOT 2	1.454.475	859.225	0	626.286	0	0	0	280.000	0	245.250	0	200.000	0	150.000	0	
2005	9 ACP MOZ 001		4	Jun-08	NICHOLAS ODWYER-SUPERVISION LT 3	1.418.954	868.938	0	306.366	0	161.063	0	300.000	0	350.000	0	211.079	0	150.000	0	
2005	9 ACP MOZ 001		5	Jun-08	BCEOM-SUPERVISION LOT 1	1.795.583	885.419	295.402	179.716	0	77.029	0	200.000	0	407.192	0	400.000	0	180.000	0	
2005	9 ACP MOZ 001		6	Mar-07	TAMEGA-WORKS LOT 1	12.979.233	7.537.020	0	1.956.496	0	689.926	0	1.500.000	0	1.800.000	0	3.032.000	0	1.300.000	0	
2005	9 ACP MOZ 001		7	Mar-07	TAMEGA-WORKS LOT 2	21.204.502	13.811.822	0	3.138.541	0	1.075.401	0	3.000.000	0	2.000.000	0	4.348.000	0	2.120.000	0	
2005	9 ACP MOZ 001		8	May-07	CMC-WORKS LOT 3	26.004.608	23.834.058	0	5.626.752	0	2.796.495	0	5.000.000	0	2.367.045	0	0	0	2.600.000	0	
<b>Total Individual Commitment 9 ACP MOZ 001</b>						<b>64.857.355</b>	<b>47.796.482</b>	<b>295.402</b>	<b>11.834.156</b>	<b>0</b>	<b>4.799.914</b>	<b>0</b>	<b>10.280.000</b>	<b>0</b>	<b>7.169.487</b>	<b>0</b>	<b>8.191.079</b>	<b>0</b>	<b>6.500.000</b>	<b>0</b>	
2003	9 ACP MOZ 002		Nov-06	Jun-11	ROAD PERIODIC MAINTENANCE AND CAPACITY BUILDING PROGRAMME	14.000.000	13.999.290														
2004	9 ACP MOZ 002		1	Jun-09	CONTRIBUTION TO PERIODIC MAINTENANCE THROUGH THE ROAD FUND	12.000.000	8.000.000	0	4.000.000	0	0	0	4.000.000	0	0	0	4.000.000	0	0	0	
2005	9 ACP MOZ 002		2	Aug-06	FUNDO ESTRADAS-CAPACITY BUILDING-PE 1	302.000	176.907	0	0	0	0	0	25.093	0	0	0	0	0	0	0	
2006	9 ACP MOZ 002		5	Jul-06	ERNST & YOUNG - FINANCIAL AUDIT; MAC 03/06/EDF	22.101	22.101	0	5.991	0	420	0	5.991	0	0	0	0	0	0	0	
2006	9 ACP MOZ 002		6	Feb-07	ARCUS GIBB - TA TO MINISTRY PUBLIC WORKS; MAC 04/06/EDF	369.781	289.057	0	289.057	0	181.795	0	369.972	0	150.000	0	112.709	0	0	0	
2005	9 ACP MOZ 002		4->7	Dec-06	P-DRUMMOND-TECHNICAL ASSISTANCE TO ANE	356.908	272.159	86.000	163.224	0	115.710	0	158.604	0	200.459	0	0	0	0	0	
2006	9 ACP MOZ 002		8	Dec-07	CAPACITACAO INSTITUCIONAL - PE N.2 (09/06 -12/07)	929.000	258.116	0	258.116	0	0	0	200.000	0	400.000	0	200.000	0	0	0	
2006	9 ACP MOZ 002		9	Dec-07	ERNST & YOUNG - FINANCIAL AUDIT OF 2nd TRANCHE - MAC 05/07/EC	19.500	0	19.500	0	19.500	0	0	200.000	0	0	0	0	0	0	0	
<b>Total Individual Commitment 9 ACP MOZ 002</b>						<b>13.999.290</b>	<b>9.018.340</b>	<b>105.500</b>	<b>4.716.388</b>	<b>19.500</b>	<b>297.925</b>	<b>0</b>	<b>4.959.660</b>	<b>0</b>	<b>750.459</b>	<b>0</b>	<b>4.312.709</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
2004	9 ACP MOZ 004		Feb-07	Dec-11	NAO SUPPORT PROJECT	1.278.508	1.078.508														
2006	9 ACP MOZ 004		1	Jan-07	NAO Support Project-PE1	288.286	174.949	0	0	0	0	0	0	0	0	0	0	0	0	0	
2007	9 ACP MOZ 004		2	Jul-08	Institutional support to NAO / PE 2	810.222	191.161	810.222	191.161	0	0	810.000	150.000	0	319.062	0	300.000	0	0	0	
<b>Total Individual Commitment 9 ACP MOZ 004</b>						<b>1.078.508</b>	<b>366.110</b>	<b>810.222</b>	<b>191.161</b>	<b>0</b>	<b>0</b>	<b>810.000</b>	<b>150.000</b>	<b>0</b>	<b>319.062</b>	<b>0</b>	<b>300.000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
2003	9 ACP MOZ 006		Dec-06	Dec-09	HEALTH SECTOR SUPPORT PROGRAMME II	25.000.000	24.500.000														
2004	9 ACP MOZ 006		1	Dec-07	PROSAUDE	6.800.000	6.289.291	0	1.845.000	0	0	0	1.000.000	0	0	0	510.709	0	0	0	
2004	9 ACP MOZ 006		2	Dec-07	FUNDO COMUN PROVINCIAL	5.700.000	5.583.000	0	1.200.000	0	0	0	658.500	0	0	0	117.000	0	0	0	
2004	9 ACP MOZ 006		3	Dec-07	FUNDO COMUN MEDICAMENTOS	12.000.000	11.932.874	0	3.700.000	0	0	0	1.875.000	0	0	0	67.126	0	0	0	

Annex c) 1 - MIS Table (2007) Indicative Timetable for Disbursements

IDENTIFICATION					CURRENT DATA (END 2007)						FORECASTS - 2007/2008								
Year GC/IC	ACCOUNTING Nb. GC	GC (N+3)	IC #	END IMP GC/IC	TITLE	Cumulated 31/12/2007		Actual Performance 31 December 2007		Realised 2nd Semester 2007		FORECAST 1st Sem 2007		FORECAST 2nd Sem 2007		FORECAST 1st SEM 2008		FORECAST 2nd SEM 2008	
						GC / IC	PAY	GC / IC	PAY / RO	GC / IC	PAY / RO	GC / IC	PAY	GC / IC	PAY	GC / IC	PAY	GC / IC	PAY
2008	9 ACP MOZ 006			NEW	Sector Budget Support to Ministry of Health	0	0	0	0	0	0	1.875.000	0	0	500.000	500.000	0	0	
Total Individual Commitment 9 ACP MOZ 006						24.500.000	23.805.165	0	6.745.000	0	0	5.408.500	0	0	500.000	1.194.835	0	0	
2004	9 ACP MOZ 007	Mar-06		Dec-05	AUGM. PLAFOND PRJ. 8 ACP MOZ 24	1.900.000	1.838.756												
2004	9 ACP MOZ 007		1	Dec-05	COBA - TA FLOOD RECOVERY PROGRAM - MAC 14/00/EC	235.290	235.290	0	0	0	0	0	0	0	0	0	0		
2005	9 ACP MOZ 007		3	Dec-05	ALANET/LALATEC-FINAL EVALUATION POST-FLOOD RECONSTRUCTION	49.499	49.499	0	0	0	0	12.861	0	0	0	0	0		
2004	9 ACP MOZ 007		1->4	Dec-05	COBA - TA FLOOD RECOVERY PROGRAM - MAC 14/00/EC	53.967	53.967	0	53.967	0	5.813	0	0	0	0	0	0		
Total Individual Commitment 9 ACP MOZ 007						338.756	338.756	0	53.967	0	5.813	0	0	0	0	0	0		
2004	9 ACP MOZ 008	Nov-07		Dec-10	RURAL ROADS REHABILITATION AND MAINTENANCE	0	0												
2004	9 ACP MOZ 011	Apr-07		Dec-11	SUPPORT TO JUSTICE SECTOR IN MOZAMBIQUE	10.000.000	9.760.000												
2004	9 ACP MOZ 011		1	Dec-09	SUPPORT TO JUSTICE SECTOR IN MOZAMBIQUE	9.760.000	5.386.107	0	3.500.000	0	0	3.500.000	0	0	0	0	0		
2008	9 ACP MOZ 011			NEW	SUPPORT TO JUSTICE SECTOR IN MOZAMBIQUE - Mid Term Review	0	0	0	0	0	0	3.500.000	0	0	60.000	60.000	0	0	
Total Individual Commitment 9 ACP MOZ 011						19.760.000	15.146.107	0	3.500.000	0	0	3.500.000	0	0	60.000	60.000	0	0	
2003	9 ACP MOZ 012	May-07		Dec-08	RECONSTRUCTION OF CYCLONE DAMAGED SECTIONS OF ROAD RIO SAVI MUXUNGUE	4.025.226	4.007.925												
2005	9 ACP MOZ 012		1	Aug-06	PE1 RECONSTRUCTION OF CYCLONE DAMAGED ROAD SECTIONS	729.000	707.810	0	0	0	0	0	0	0	0	0	0		
2005	9 ACP MOZ 012		2	Nov-07	LAMONT-DETAILED DESIGN AND SUPERVISION OF REHABILITATION ROAD RIO SAVI-MUXUNGUE	182.306	77.550	0	36.218	0	36.218	0	0	50.000	0	0	70.000		
2006	9 ACP MOZ 012		3	Aug-06	ERNST & YOUNG - AUDIT OF PE1 OF EMERGENCY	11.336	11.336	0	11.336	0	11.336	0	0	16.920	0	0	0		
2006	9 ACP MOZ 012		5	Dec-07	PE2 RECONSTRUCTION OF CYCLONE DAMAGED ROAD SECTIONS	3.072.000	840.201	0	840.201	0	0	0	800.000	0	1.100.000	0	900.000		
2007	9 ACP MOZ 012		6	Apr-08	KPMG - AUDIT PE2	13.283	0	13.283	0	13.283	0	0	800.000	0	0	0	0		
Total Individual Commitment 9 ACP MOZ 012						4.007.925	1.636.897	13.283	887.755	13.283	47.554	0	1.666.920	0	1.116.920	0	970.000	0	
2004	9 ACP MOZ 013	Sep-07		Jan-10	TECHNICAL COOPERATION FACILITY (TCF)	1.000.000	604.285												
2005	9 ACP MOZ 013		4	Jun-05	IMAGEM GLOBAL-IV MEETING NAO PALOP	28.229	28.229	0	0	0	0	0	0	0	0	0	0		
2005	9 ACP MOZ 013		6	Dec-05	ECORYS-PREPARATION OF 2006 END TERM REVIEW	74.534	74.534	0	0	0	0	0	0	0	0	0	0		
2006	9 ACP MOZ 013		7	May-06	AGRIFOR-PREPARATION OF THE COUNTRY ENVIRONMENTAL PROFILE	49.906	49.906	0	0	0	0	0	0	0	0	0	0		
2006	9 ACP MOZ 013		8	Apr-06	Sugar Action Plan Seminar	4.262	4.262	0	0	0	0	0	0	0	0	0	0		
2006	9 ACP MOZ 013		10	Nov-06	Country Migration Profile	4.900	4.900	0	4.900	0	4.900	0	0	4.900	0	4.900	0	0	
2007	9 ACP MOZ 013		11	Mar-07	ESTER CLAUDIA CONCEICAO - Support Energy Facility	4.995	4.995	4.995	4.995	0	0	4.995	4.995	0	0	0	0	0	
2007	9 ACP MOZ 013		12	Sep-08	TYPSA - TA to DNA - MAC 04/07/EC	149.154	0	149.154	0	149.154	0	150.000	0	149.154	29.831	0	40.000	0	
Total Individual Commitment 9 ACP MOZ 013						315.980	166.826	154.149	9.895	149.154	4.900	154.995	9.895	149.154	34.731	0	40.000	0	
2005	9 ACP MOZ 014	Sep-08		May-10	CONSTRUCTION OF A BRIDGE OVER THE ZAMBEZI RIVER	25.000.000	24.848.484												
2005	9 ACP MOZ 014		1	Jan-09	MOTA-ENGL-CONSTRUCTION OF A BRIDGE OVER THE ZAMBEZI RIVER	24.848.484	16.969.104	0	5.635.450	0	2.068.279	0	3.567.171	0	4.500.000	0	1.500.000	0	
Total Individual Commitment 9 ACP MOZ 014						24.848.484	16.969.104	0	5.635.450	0	2.068.279	0	3.567.171	0	4.500.000	0	1.500.000	0	
2005	9 ACP MOZ 015	Oct-06		Dec-10	AUGMENTATION DE PLAFOND	5.000.000	808.177												
2007	9 ACP MOZ 015		1	Jun-08	RIDER TO CONTRACT MAC 04/05/EC - NAMACURRA-RIO LIGONHA ROAD	545.677	0	545.677	0	258.112	0	0	0	137.565	0	100.000	0		
2007	9 ACP MOZ 015		2	Dec-07	ERNST & YOUNG - FINANCIAL AUDIT OF 2nd TRANCHE - MAC 05/07/EC	0	0	0	0	0	0	0	0	0	0	0	0		
2007	9 ACP MOZ 015		3	Apr-08	BCEOM - RIDER TO CONTRACT MAC 03/05/EC - SUPERVISION LOT 1	262.500	0	262.500	0	262.500	0	0	0	0	0	0	0		
Total Individual Commitment 9 ACP MOZ 015						808.177	0	808.177	0	520.612	0	0	0	137.565	0	100.000	0		
2005	9 ACP MOZ 016	Dec-08		Dec-10	POVERTY REDUCTION BUDGET SUPPORT III (PRBS III) 2006-2007	95.000.000	86.956.340												
2006	9 ACP MOZ 016		3	Dec-08	UTRAFE - SISTAFE - 1st tranche	4.000.000	4.000.000	0	2.000.000	0	2.000.000	0	0	2.000.000	0	0	0		
2007	9 ACP MOZ 016		4	Jan-08	IDC - Extension Period of Execution Till 15/01/2008	38.340	23.004	38.340	23.004	0	0	38.220	0	0	0	15.336	0		
2007	9 ACP MOZ 016		5	Jul-08	PRBS III - Variable tranche 2007	18.126.000	18.126.000	18.126.000	18.126.000	18.126.000	18.126.000	18.130.000	18.130.000	18.130.000	18.130.000	0	0		
2007	9 ACP MOZ 016		7	Jul-08	PRBS III - Fixed tranche 2007	25.000.000	25.000.000	25.000.000	25.000.000	25.000.000	25.000.000	25.000.000	25.000.000	25.000.000	25.000.000	0	0		
2008	9 ACP MOZ 016			NEW	Support to Tribunal Administrativo	0	0	0	0	0	0	0	0	0	600.000	600.000	0		
2008	9 ACP MOZ 016			NEW	Increase SISTAFE contribution in order to support Inspeccao Geral Financas	0	0	0	0	0	0	0	0	0	200.000	200.000	0		
2008	9 ACP MOZ 016			NEW	New variable tranche for PRBSIII including undisbursed amounts from previous years	0	0	0	0	0	0	0	0	0	3.578.000	3.578.000	0		
Total Individual Commitment 9 ACP MOZ 016						47.164.340	47.149.004	43.164.340	45.149.004	43.126.000	45.126.000	43.168.220	43.130.000	43.130.000	45.130.000	4.378.000	4.393.336	0	
2005	9 ACP MOZ 017	Nov-08		Dec-11	LIMPOPO RAILWAY LINE REHABILITATION OF FACILITIES	6.000.000	4.115.722												
2006	9 ACP MOZ 017		1	Oct-06	TECNICA LDA - ATUALIZACAO CADERNOS ENCARGOS; MAC 05/06/EC	61.929	57.410	0	57.410	0	51.834	0	50.000	0	56.352	0	0		
2008	9 ACP MOZ 017		2	Dec-09	TECNICA - Supervision Limpopo Railway Line - MAC 03/07/EC	193.490	0	193.490	0	193.490	0	0	0	0	4.700.000	940.000	0		
2008	9 ACP MOZ 017		3	Sep-08	CONDURIL - REHABILITATION LIMPOPO RAILWAY - LC 04/07/EC	3.860.304	0	3.860.304	0	3.860.304	0	0	0	0	0	0	0		
Total Individual Commitment 9 ACP MOZ 017						4.115.722	57.410	4.053.794	57.410	4.053.794	51.834	0	50.000	0	56.352	4.700.000	940.000	0	

Annex c) 1 - MIS Table (2007) Indicative Timetable for Disbursements

IDENTIFICATION					CURRENT DATA (END 2007)						FORECASTS - 2007/2008									
Year GC/IC	ACCOUNTING Nb. GC	GC (N+3)	IC #	END IMP GC/IC	TITLE	Cumulated 31/12/2007		Actual Performance 31 December 2007		Realised 2nd Semester 2007		FORECAST 1st Sem 2007		FORECAST 2nd Sem 2007		FORECAST 1st SEM 2008		FORECAST 2nd SEM 2008		
						GC / IC	PAY	GC / IC	PAY / RO	GC / IC	PAY / RO	GC / IC	PAY	GC / IC	PAY	GC / IC	PAY	GC / IC	PAY	GC / IC
2005	9 ACP MOZ 018	Dec-08		Dec-11	BEIRA SANITATION PROJECT-WORKS AND SUPERVISION	32.950.000	31.641.969													
2007	9 ACP MOZ 018		1	Feb-10	LOUIS BERGER - Supervision Beira Sanitation Works	1.867.430		1.867.430	0	1.867.430	0	1.868.730	373.746	1.867.430	373.468	0	183.008	0	261.440	
2007	9 ACP MOZ 018		2	Feb-10	CMC - Beira Sanitation Works - Lot 1,3 and 4	28.733.460	8.620.038	28.733.460	8.620.038	28.733.460	8.620.038	20.000.000	0	28.733.000	5.746.600	0	2.815.834	0	4.022.620	
2007	9 ACP MOZ 018		3	Sep-09	CPG/BRL - TA Institutional Component to Beira Sanitation Project - MAC 03/07/EC	1.041.079	0	1.041.079	0	1.041.079	0	2.000.000	0	893.629	178.726	0	109.470	0	156.385	
2008	9 ACP MOZ 018			NEW	Startup Work Program	0	0	0	0	0	0	0	0	0	0	100.000	100.000	0	0	
2008	9 ACP MOZ 018			NEW	Work Program Nr.1	0	0	0	0	0	0	0	0	0	0	0	0	500.000	200.000	
Total Individual Commitment 9 ACP MOZ 018						31.641.969	8.620.038	31.641.969	8.620.038	31.641.969	8.620.038	23.868.730	373.746	31.494.059	6.298.794	100.000	3.208.312	500.000	4.640.445	
2006	9 ACP MOZ 019	Mar-09		Dec-11	UPGRADING OF THE MANHIÇA HEALTH CENTRE TO HOSPITAL STATUS	3.000.000	0													
2008	9 ACP MOZ 019			NEW	CONSTRUCTION WORKS	0	0	0	0	0	0	0	0	0	0	2.000.000	600.000	0	1.000.000	
2008	9 ACP MOZ 019			NEW	SUPERVISION	0	0	0	0	0	0	0	0	0	0	200.000	40.000	0	100.000	
2008	9 ACP MOZ 019			NEW	Equipment	0	0	0	0	0	0	0	0	0	0	0	0	550.000	110.000	
Total Individual Commitment 9 ACP MOZ 019						0	0	0	0	0	0	0	0	0	0	2.200.000	640.000	550.000	1.210.000	
2006	9 ACP MOZ 020	Apr-09		Dec-12	SUPPORT PROGRAMME TO NON STATE ACTORS IN MOZAMBIQUE	4.000.000	0													
2007	9 ACP MOZ 020			NEW	NSA-TA inception phase	0	0	0	0	0	0	0	0	150.000	90.000	0	60.000	0	0	
2008	9 ACP MOZ 020			NEW	NSA-Steering committee 1	0	0	0	0	0	0	0	0	0	0	50.000	15.000	0	0	
2008	9 ACP MOZ 020			NEW	NSA-Grant 1	0	0	0	0	0	0	0	0	0	0	300.000	90.000	0	0	
2008	9 ACP MOZ 020			NEW	NSA-Grant 2	0	0	0	0	0	0	0	0	0	0	300.000	90.000	0	0	
2008	9 ACP MOZ 020			NEW	NSA-Grant 3	0	0	0	0	0	0	0	0	0	0	300.000	90.000	0	0	
2008	9 ACP MOZ 020			NEW	NSA-Grant 4	0	0	0	0	0	0	0	0	0	0	300.000	90.000	0	0	
2008	9 ACP MOZ 020			NEW	NSA-Grant 5	0	0	0	0	0	0	0	0	0	0	300.000	90.000	0	0	
2008	9 ACP MOZ 020			NEW	NSA-Grant 6	0	0	0	0	0	0	0	0	0	0	300.000	90.000	0	0	
2008	9 ACP MOZ 020			NEW	NSA-Grant 7	0	0	0	0	0	0	0	0	0	0	300.000	90.000	0	0	
2008	9 ACP MOZ 020			NEW	NSA-Grant 8	0	0	0	0	0	0	0	0	0	0	300.000	90.000	0	0	
2008	9 ACP MOZ 020			NEW	NSA-Grant 9	0	0	0	0	0	0	0	0	0	0	300.000	90.000	0	0	
2008	9 ACP MOZ 020			NEW	NSA-Grant 10	0	0	0	0	0	0	0	0	0	0	300.000	90.000	0	0	
2008	9 ACP MOZ 020			NEW	NSA-Grant 11	0	0	0	0	0	0	0	0	0	0	300.000	90.000	0	0	
2008	9 ACP MOZ 020			NEW	NSA-Communication equipment	0	0	0	0	0	0	0	0	0	0	110.000	0	0	35.000	
Total Individual Commitment 9 ACP MOZ 020						0	0	0	0	0	0	0	0	150.000	90.000	3.460.000	1.065.000	0	35.000	
2006	9 ACP MOZ 021	Jun-09		Dec-10	FEASIBILITY STUDY FOR THE UPGRADING OF THE MILANGE-MOCUBA ROAD	1.500.000	1.139.775													
2006	9 ACP MOZ 021		1	Dec-08	BCEOM - MILANGE-MOCUBA ROAD FEASIBILITY AND ENGINEERING DESIGN	1.139.775	197.775	1.139.775	197.775	0	197.775	1.500.000	300.000	0	300.000	0	300.000	0	439.775	
Total Individual Commitment 9 ACP MOZ 021						1.139.775	197.775	1.139.775	197.775	0	197.775	1.500.000	300.000	0	300.000	0	300.000	0	439.775	
2006	9 ACP MOZ 022	Mar-09		Dec-08	HUMANITARIAN AID FOR VULNERABLE POPULATIONS SUFFERING EFFECTS OF DROUGHT IN MOZAMBIQUE	2.000.000	1.625.270													
2006	9 ACP MOZ 022		1	Feb-07	INTERMON - OXFAM	306.654	306.654	0	89.380	0	61.331	0	0	0	0	0	0	0	0	
2006	9 ACP MOZ 022		2	Feb-07	CARE OSTERREICH	633.122	524.840	0	75.433	0	18.342	0	0	0	0	0	0	0	0	
2006	9 ACP MOZ 022		3	Feb-07	DEUTSCHES ROTES KREUZ	370.027	307.811	0	122.798	0	122.798	0	0	0	0	0	0	0	0	
2006	9 ACP MOZ 022		4	Feb-07	CUAMM - International College for Health Cooperation	315.467	315.467	156.614	236.040	0	63.093	0	0	0	0	0	0	0	0	
Total Individual Commitment 9 ACP MOZ 022						1.625.270	1.454.772	156.614	523.651	0	265.564	0	0	0	0	0	0	0	0	
1988	9 ACP MOZ 023			NA	TRAINING FOR RAILWAY STAFF	4.007	1.924													
1990	9 ACP MOZ 023		1	NA	CONSORTIUM EDICREL/INDICO CONSTRUCOES LC 64	1.584	0	0	0	0	0	0	0	0	0	0	0	0	0	
1991	9 ACP MOZ 023		2	Jun-92	EUROWORLD CONSULTING - LC 25	340	0	0	0	0	0	0	0	0	0	0	0	0	0	
Total Individual Commitment 9 ACP MOZ 023 (ex 6 MOZ 044)						1.924	0	0	0	0	0	0	0	0	0	0	0	0	0	
1995	9 ACP MOZ 024			Mar-02	SUPPORT MOZAMBIKAN STD/HIV STRATEGY WITHIN HEALTH SYSTEM	6.017	3.553													
1999	9 ACP MOZ 024		1	Dec-99	LC 04/98 - SECI LOTE 12	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
2005	9 ACP MOZ 024		2->3	Sep-05	KPMG; FINANCIAL AUDIT WORK PROGRAMME	3.553	3.553	0	3.553	0	0	0	2.425	0	0	0	0	0	0	
Total Individual Commitment 9 ACP MOZ 024 (ex 6 MOZ 101)						3.553	3.553	0	3.553	0	0	0	2.425	0	0	0	0	0	0	
1995	9 ACP MOZ 025			NA	PRG DE FINANCEMENT DE BOURSES POUR DES SEC. PRIORIT.	75.994	17.255													
2003	9 ACP MOZ 025		7	Dec-05	PACULE OTILIA INOCENCIA DE LAURA	12.604	0	0	0	0	0	0	0	0	0	0	0	0	0	
Total Individual Commitment 9 ACP MOZ 025 (ex 6 MOZ 102)						12.604	0	0	0	0	0	0	0	0	0	0	0	0	0	0
1996	9 ACP MOZ 026			Jun-03	APPUI INSTITUTIONNEL AUX SERVICES DE L'O.N.	1.870	1.870													
1998	9 ACP MOZ 026		1	Jun-98	MAC 02/98 - EDICREL REAB INST GON	1.870	0	0	0	0	0	0	0	0	0	0	0	0	0	

Annex c) 1 - MIS Table (2007) Indicative Timetable for Disbursements

IDENTIFICATION					CURRENT DATA (END 2007)						FORECASTS - 2007/2008									
Year GC/IC	ACCOUNTING Nb. GC	GC (N+3)	IC #	END IMP GC/IC	TITLE	Cumulated 31/12/2007		Actual Performance 31. December 2007		Realised 2nd Semester 2007		FORECAST 1st Sem 2007		FORECAST 2nd Sem 2007		FORECAST 1st SEM 2008		FORECAST 2nd SEM 2008		
						GC / IC	PAY	GC / IC	PAY / RO	GC / IC	PAY / RO	GC / IC	PAY	GC / IC	PAY	GC / IC	PAY	GC / IC	PAY	GC / IC
Total Individual Commitment 9 ACP MOZ 026 (ex 6 MOZ 103)						1.870	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2003	9 ACP MOZ 027			Mar-08	RURAL TELECOMMUNICATIONS NETWORK IMPROVEMENT - PHASE II	6.747.859	5.324.519													
2004	9 ACP MOZ 027		2->3	Oct-06	TELVEN LC 01/04/EC SUPPLY & INSTALLATION OF RTN	5.075.371	2.047.523	0	2.047.523	0	2.047.523	0	472.075	0	712.000	0	1.983.000	0	2.000.000	
2004	9 ACP MOZ 027		1->4	Jul-07	SOFRECOM - SUPERVISION SERVICES	249.147	96.186	0	88.700	0	88.700	0	60.000	0	140.000	0	50.000	0	51.661	
2007	9 ACP MOZ 027			NEW	Addendum Supply TELVENT	0	0	0	0	0	0	1.095.026	0	1.095.026	0	0	0	438.000	0	438.000
2007	9 ACP MOZ 027			NEW	Addendum Supervision SOFRECOM	0	0	0	0	0	0	100.000	0	100.000	0	0	0	25.000	0	25.000
Total Individual Commitment 9 ACP MOZ 027 (ex 6 MOZ 112)						5.324.519	2.143.709	0	2.136.223	0	2.136.223	1.195.026	557.075	1.195.026	877.000	0	2.496.000	0	2.514.661	
2006	9 ACP MOZ 028	Nov-09		Dec-11	TECHNICAL COOPERATION FACILITY - TCF II	2.000.000	110.038													
2007	9 ACP MOZ 028		1	Oct-07	LUIS HEBRERO - TA IN THE FRAMEWORK OF WATER AND ENERGY	4.990	4.990	4.990	4.990	4.990	4.990	150.000	75.000	0	0	0	0	0	0	
2007	9 ACP MOZ 028		2	Nov-08	UNDP - SUPPORT CIVIL SOCIETY INDEX	100.058	95.054	100.058	95.054	100.058	95.054	0	0	0	0	0	0	0	0	
2007	9 ACP MOZ 028		3	Dec-07	TA FOR DEVELOPMENT OF GBS ROAD MAP - MDG Contract	4.990	0	4.990	0	4.990	0	150.000	50.000	0	0	0	0	0	0	
2008	9 ACP MOZ 028			NEW	TCF II	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Total Individual Commitment 9 ACP MOZ 028						110.038	100.044	110.038	100.044	110.038	100.044	300.000	125.000	0	0	0	0	0	0	
2006	9 ACP MOZ 029	Nov-09		Dec-12	PROAGRI II - SECTOR BUDGET SUPPORT TO FOOD SECURITY/AGRICULTURE	35.000.000	32.000.000													
2007	9 ACP MOZ 029		1	Dec-10	PROAGRI II - Sector Budget Support	32.000.000	0	32.000.000	0	32.000.000	0	32.000.000	5.000.000	32.000.000	5.000.000	0	0	0	11.500.000	
Total Individual Commitment 9 ACP MOZ 029						32.000.000	0	32.000.000	0	32.000.000	0	32.000.000	5.000.000	32.000.000	5.000.000	0	0	0	11.500.000	
2006	9 ACP MOZ 030	May-10		Dec-11	SUPPORT TO 2007 POPULATION and HOUSING CENSUS	11.000.000	10.730.000	11.000.000				11.000.000								
2007	9 ACP MOZ 030		1	Dec-09	UNFPA - SUPPORT TO 2007 POPULATION and HOUSING CENSUS	10.730.000	9.518.219	10.730.000	9.518.219	0	0	10.000.000	9.800.000	0	0	0	0	1.000.000	0	0
Total Individual Commitment 9 ACP MOZ 030						10.730.000	9.518.219	10.730.000	9.518.219	0	0	10.000.000	9.800.000	0	0	0	0	1.000.000	0	0
2007	9 ACP MOZ 031			Jul-10	BEIRA SANITATION PROJECT (CEILING INCREASE TO 9 ACP MOZ 18)	20.000.000	13.719.454	20.000.000						20.000.000						
2007	9 ACP MOZ 031		1	Sep-09	CMC AFRICA AUSTRAL/CONDURIL - Beira Sanitation Works - Lot 2	13.719.454	4.115.836	13.719.454	4.115.836	13.719.454	4.115.836	6.300.000	0	13.719.454	2.743.890	0	1.680.633	0	2.400.904	
Total Individual Commitment 9 ACP MOZ 031						13.719.454	4.115.836	13.719.454	4.115.836	13.719.454	4.115.836	6.300.000	0	13.719.454	2.743.890	0	1.680.633	0	2.400.904	
2007	9 ACP MOZ 032	Oct-10		Dec-12	ROAD MAINTENANCE AND CAPACITY BUILDING PROGRAMME	12.160.000	0	12.160.000						12.160.000						
2008	9 ACP MOZ 032			NEW	Road Maintenance	0	0	0	0	0	0	0	0	0	0	12.000.000	500.000	0	5.000.000	
Total Individual Commitment 9 ACP MOZ 032						0	0	0	0	0	0	0	0	0	0	12.000.000	500.000	0	5.000.000	
2007	9 ACP MOZ 033	Sep-10		Dec-12	FEASIBILITY STUDY AND DETAILED DESIGN TO BEIRA-MACHIPANDA ROAD	1.600.000	0	1.600.000						1,600,000						
2008	9 ACP MOZ 033			NEW	Beira-Machipanda Road Design Study	0	0	0	0	0	0	0	0	0	0	1.300.000	300.000	0	200.000	
Total Individual Commitment 9 ACP MOZ 033						0	0	0	0	0	0	0	0	0	0	1.300.000	300.000	0	200.000	
2007	9 ACP MOZ 034	Aug-10		Dec-11	PRBS III (Increase 9 ACP MOZ 016)	5.918.188	0	5.918.188						5,918,188						
2008	9 ACP MOZ 034			NEW	PRBS III	0	0	0	0	0	0	0	0	0	5,918,188	5,918,188	0	0		
Total Individual Commitment 9 ACP MOZ 034						0	0	0	0	0	0	0	0	0	5,918,188	5,918,188	0	0		
2007	9 ACP MOZ 035	Aug-10		Dec-11	PRBS III (Increase 9 ACP MOZ 016)	37,003,812	0	37,003,812						37,003,812						
2007	9 ACP MOZ 035			NEW	PRBS III	0	0	0	0	0	0	0	0	0	37,003,812	37,003,812	0	0		
Total Individual Commitment 9 ACP MOZ 035						0	0	0	0	0	0	0	0	0	37,003,812	37,003,812	0	0		
2007	9 ACP MOZ 036	Aug-10		Dec-12	BUSINESS ENVIRONMENT SUPPORT & TRADE FACILITATION PROJECT	5,750,000	0	5,750,000						5,750,000						
2007	9 ACP MOZ 036			NEW	B.E.S.T.	0	0	0	0	0	0	0	5,362,500	1,500,000	0	1,500,000	0	0		
Total Individual Commitment 9 ACP MOZ 036						0	0	0	0	0	0	0	5,362,500	1,500,000	0	1,500,000	0	0		
2007	9 ACP MOZ 037	Aug-10		Dec-11	HEALTH SECTOR SUPPORT PROGRAMME II - RIDER 1	3,850,000	0	3,850,000						3,850,000						
2008	9 ACP MOZ 037			NEW		0	0	0	0	0	0	0	0	0	3,850,000	3,850,000	0	0		
Total Individual Commitment 9 ACP MOZ 037						0	0	0	0	0	0	0	0	0	3,850,000	3,850,000	0	0		
2006	9 ACP MTR 001	Jun-08	MTR	Oct-08	TCF PALOP	470.000														
2006	9 ACP MTR 001		3	Apr-07	IBF - Study Cultural Initiatives Palop	75.109	75.109	0	75.109	0	19.152	0	55.957	0	37.034	0	0	0	0	
2007	9 ACP MTR 001		4	Mar-07	IBF - International - TA Identification needs Palop Unit	36.836	36.836	36.836	36.836	0	14.057	37.996	22.798	0	14.057	0	0	0	0	
2007	9 ACP MTR 001		5	Mar-07	TRANSTEC - Feasibility study programme support statistical	83.543	50.125	83.543	50.125	0	0	85.000	51.000	0	33.417	0	0	0	0	
Total Individual Commitment 9 ACP MTR 001						195.488	162.070	120.379	162.070	0	33.209	122.996	129.755	0	84.508	0	0	0	0	
2006	9 ACP MTR 003	Dec-09	MTR	Dec-11	PALOP TECHNICAL CO-OPERATION FACILITY II	2.500.000														
2007	9 ACP MTR 003		2	Feb-08	BERENSCHOT - Study Identification Areas of Governance	131.064	78.638	131.064	78.638	131.064	78.638	150.000	0	0	78.000	0	53.064	0	0	
2007	9 ACP MTR 003		3	Oct-08	PE 1	223.124	64.501	223.124	64.501	223.124	64.501	0	0	250.000	75.000	0	175.000	250.000	75.000	
2007	9 ACP MTR 003			NEW	Long Term TA PALOP coordination unit (MOZ)	0	0	0	0	0	0	0	0	0	1.000.000	300.000	0	300.000		

Annex c) 1 - MIS Table (2007) Indicative Timetable for Disbursements

IDENTIFICATION					CURRENT DATA (END 2007)						FORECASTS - 2007/2008								
Year GC/IC	ACCOUNTING Nb. GC	GC (N+3)	IC #	END IMP GC/IC	TITLE	Cumulated 31/12/2007		Actual Performance 31 December 2007		Realised 2nd Semester 2007		FORECAST 1st Sem 2007		FORECAST 2nd Sem 2007		FORECAST 1st SEM 2008		FORECAST 2nd SEM 2008	
						GC / IC	PAY	GC / IC	PAY / RO	GC / IC	PAY / RO	GC / IC	PAY	GC / IC	PAY	GC / IC	PAY	GC / IC	PAY
Total Individual Commitment 9 ACP MTR 003						354.188	143.139	354.188	143.139	354.188	143.139	150.000	0	250.000	153.000	1.000.000	528.064	250.000	375.000
2005	9 ACP RPR 039	Dec-07	RPR	Dec-13	ACP EU WATER FACILITY														
2006	9 ACP RPR 039		29	Jul-10	FIPAG - WATER PROJECT SUPPLY IN MAPUTO AND DISTRICTS	25.000.000	1.340.000	0	1.340.000	0	1.340.000	0	1.300.000	0	1.340.000	0	0	0	1.800.000
2006	9 ACP RPR 039		31	Jul-10	UNICEF - IMPROVEMENT LIVELIHOOD AND PERIURBAN	2.785.140	1.054.116	0	726.255	0	726.255	0	0	0	726.255	0	0	0	726.255
2006	9 ACP RPR 039		33	Sep-11	AGA KHAN FOUNDATION	1.600.000	248.840	0	0	0	0	0	0	0	0	0	297.790	0	0
2006	9 ACP RPR 039		38	Feb-08	FAO - STRAT. PLAN. AGRIC WATER MANAG IN MOZAMBIQUE	250.404	164.407	0	0	0	0	0	0	0	0	0	79.477	0	0
Total Individual Commitment 9 ACP RPR 039						29.635.544	2.807.363	0	2.066.255	0	2.066.255	0	1.300.000	0	2.066.255	0	377.267	0	2.526.255
2005	9 ACP RPR 049/9 ACP RPR 139	Jun-09	RPR		ACP EU ENERGY FACILITY														
2007	9 ACP RPR 049		3	Nov-12	FUNAE - Improved access to energy services in isolated rural areas of Mozambique	2.454.045	517.665	2.454.045	517.665	2.454.045	517.665	0	0	2.454.045	516.161	0	0	0	423.120
2007	9 ACP RPR 049		4	Nov-10	FUNAE - Electrificação da Comunidade de Majaua	1.866.911	81.672	1.866.911	81.672	1.866.911	81.672	0	1.300.000	1.866.911	82.941	0	0	0	798.640
2007	9 ACP RPR 049		5	Nov-12	CONSEJO INTER-HOSPITALARIO DE COOPERACION	1.929.000	0	1.929.000	0	1.929.000	0	0	0	1.929.000	179.178	0	0	0	389.231
2007	9 ACP RPR 139		8	Dec-11	MOZ: EdM - Rural electrification of Chibabava/Buzi Districts in Sofala	6.083.886	0	6.083.886	0	6.083.886	0	0	0	6.083.886	1.606.146	0	0	0	1.934.676
2007	9 ACP RPR 139		9	Dec-10	MOZ: EdM - Rural electrification in Cabo Delgado Province, Phase III Lot 2	3.974.000	0	3.974.000	0	3.974.000	0	0	0	4.125.000	614.181	0	0	0	1.549.160
2007	9 ACP RPR 139		10	Dec-10	MOZ: EdM - Rural electrification of Tete District Capitals	7.184.374	0	7.184.374	0	7.184.374	0	0	0	7.184.375	1.916.702	0	0	0	2.274.618
2007	9 ACP RPR 139		NEW		MOZ: ME - Capacity building in energy planning and management	0	0	0	0	0	0	0	0	1.030.355	110.898	0	0	0	408.211
Total Individual Commitment 9 ACP RPR 049 + 139						23.492.216	599.337	23.492.216	599.337	23.492.216	599.337	0	1.300.000	24.673.572	5.026.207	0	0	0	7.777.656
2005	9 ACP RPR 050	May-09	RPR	Dec-11	ACP EU WATER FACILITY II														
2007	9 ACP RPR 050		36	Oct-11	IFRC - Namipula Province Rural water supply, sanitation and hygiene promotion Project	1.548.688	376.340	1.548.688	376.340	1.548.688	376.340	0	0	1.547.311	381.037	0	0	0	337.593
2007	9 ACP RPR 050		37	Oct-11	WATERAID - Increased access to safe water, sanitation and hygiene promotion for the urban poor living in District 4 of Maputo city	1.290.406	471.948	1.290.406	471.948	1.290.406	471.948	0	1.300.000	1.290.407	690.546	0	0	0	235.410
2007	9 ACP RPR 050		39	Oct-11	INTERAIDE - Accès durable à l'eau potable, à l'assainissement et renforcement des pratiques d'hygiène dans 3 Districts ruraux de l'Province de Namupula	1.893.437	260.289	1.893.437	260.289	1.893.437	260.289	0	0	1.893.437	365.789	0	0	0	446.402
2007	9 ACP RPR 050		NEW		DNA - Realization and sustainable management programme of 5 Small Piped Water Systems in Inhambane Province	0	0	0	0	0	0	0	0	2.650.000	0	0	200.000	0	250.000
Total Individual Commitment 9 ACP RPR						4.732.531	1.108.577	4.732.531	1.108.577	4.732.531	1.108.577	0	1.300.000	7.381.155	1.437.372	0	200.000	0	1.269.405
2007	9 ACP RPR 120	Aug-10	RPR	Dec-08	HUMANITARIAN AID TO SUPPORT THE RECOVERY OF VULNERABLE POPULATIONS	3.000.000	2.999.833	3.000.000											
2007	9 ACP RPR 120		1	Jan-08	OIKOS PT	288.364	230.691	288.364	230.691	288.364	230.691	0	0	0	0	0	0	0	0
2007	9 ACP RPR 120		2	Mar-08	CRUZ ROJA ESPANOLA	419.169	0	419.169	0	419.169	0	0	0	0	0	0	0	0	0
2007	9 ACP RPR 120		3	Jun-08	SAVE THE CHILDREN	594.508	0	594.508	475.606	594.508	475.606	0	0	0	0	0	0	0	0
2007	9 ACP RPR 120		4	May-08	CAFOD	200.000	160.000	200.000	160.000	200.000	160.000	0	0	0	0	0	0	0	0
2007	9 ACP RPR 120		5	Jun-08	IMC	439.218	0	439.218	351.374	439.218	351.374	0	0	0	0	0	0	0	0
2007	9 ACP RPR 120		6	May-08	GVC	512.369	409.895	512.369	409.895	512.369	409.895	0	0	0	0	0	0	0	0
2007	9 ACP RPR 120		7	Jun-08	IOM	546.205	0	546.205	436.964	546.205	436.964	0	0	0	0	0	0	0	0
Total Individual Commitment 9 ACP RPR 120						2.999.833	800.586	2.999.833	2.064.530	2.999.833	2.064.530	0	0	0	0	0	0	0	0
<b>Budget Lines - DDH</b>																			
	Decision N°(CRIS)		0																
2003	DDH 5646		60531	Sep-06	CCOSV-STRENGTHENING OF GRASS ROOT CIVIL SOCIETY IN HUMAN RIGHTS AND DEMOCRATIC ACTION IN ZAMBEZIA PROVINCE	501.699	501.699	0	0	0	0	0	29.558	0	0	0	0	0	0
2004	DDH 5646		63975	Jul-07	ALISEI-PROGRAMME FOR THE STRENGTHENING OF DEMOCRATIC CULTURE, HUMAN RIGHTS AND FREEDOM OF EXPRESION IN MOZAMBIQUE	1.155.797	332.724	0	0	0	0	0	0	0	0	0	324.852	0	324.852
2004	DDH 5954		87149	Mar-07	FORUM ONGs TEIA-OBSERVATORIOS DISTRITAIS DA POBREZA NA LINHA DE SENA	89.847	85.707	0	5.915	0	5.915	0	10.055	0	0	0	10.055	0	0
2004	DDH 5954		87180	Jan-07	ACAMO-ATIVIDADES PROMOÇÃO DIREITOS HUMANOS CEGOS	88.627	88.627	0	10.288	0	10.288	0	10.288	0	0	0	0	0	0
2004	DDH 5954		87184	Jan-07	FORUM ONGs ZAMBEZIA- FORTALECIMENTO CAPACIDADES POPULAÇÃO ZAMBEZIA SOBRE DIREITOS HUMANOS	84.270	76.508	0	0	0	0	0	7.764	0	0	0	7.764	0	0
2005	DDH 6103		88714	Jan-09	CCOSV-CIVIL SOCIETY AND PUBLIC ADMINISTRATIONS: WORKING TOGETHER TO PROTECT HUMAN RIGHTS IN MAPUTO PROVINCE	638.144	390.501	0	183.829	0	183.829	0	183.829	0	0	0	183.829	0	183.829
2005	DDH 6103		88989	Jan-09	ISCOS-SUPPORTING AND NETWORKING CIVIL SOCIETY ORGANIZATIONS & PUBLIC INSTITUTIONS FOR IMPROVED CAPACITY TO FACE HUMAN RIGHTS ISSUES	672.554	440.620	0	211.822	0	211.822	0	211.822	0	0	0	193.278	0	0
2005	DDH 6103		89167	Dec-08	INSTITUTO MARQUES DE VALLE FLOR-CIVIL EDUCATION AND PROMOTION OF HUMAN RIGHTS	713.133	462.027	0	226.327	0	226.327	0	226.327	0	0	0	167.404	0	0
2004	DDH 6105		89350	Oct-05	AGMIN IT-EOM GENERAL ELECTIONS 2004	1.789.004	1.073.402	0	0	0	0	0	0	0	0	0	0	0	0
2005	DDH 16742		108010	Apr-07	ORGANIZAÇÃO DOS TRABALHADORES DE MOÇAMBIQUE-DEMOCRACIA, DH E LABORAIS	89.931	71.945	0	0	0	0	0	0	0	0	17.986	0	0	0
2005	DDH 16742		108012	Jun-07	ACAMO-SOCIEDADE SEM EXCLUÍDOS DIREITOS HUMANOS CEGOS	99.476	99.476	0	27.837	0	1.985	0	25.851	0	1.985	0	0	0	0



Annex c) 1 - MIS Table (2007) Indicative Timetable for Disbursements

IDENTIFICATION					CURRENT DATA (END 2007)						FORECASTS - 2007/2008								
Year GC/IC	ACCOUNTING Nb. GC	GC (N+3)	IC #	END IMP GC/IC	TITLE	Cumulated 31/12/2007		Actual Performance 31 December 2007		Realised 2nd Semester 2007		FORECAST 1st Sem 2007		FORECAST 2nd Sem 2007		FORECAST 1st SEM 2008		FORECAST 2nd SEM 2008	
						GC / IC	PAY	GC / IC	PAY / RO	GC / IC	PAY / RO	GC / IC	PAY	GC / IC	PAY	GC / IC	PAY	GC / IC	PAY
2005	DDH 16742		108041	Jan-08	KULIMA-CULTURA TRADICIONAL AO SERVIÇO DOS DIREITOS HUMANOS	99.666	89.088	0	51.666	0	0	0	51.666	0	0	0	10.578	0	0
2005	DDH 16742		108045	Dec-07	ORDEM DOS ADVOGADOS-CAPACITAÇÃO DA OAM PARA MONITORIA PROMOCAO DE PRESA DDH	50.000	44.234	0	27.285	0	15.076	0	27.285	0	15.076	0	5.766	0	0
2006	DDH 17478		125713	Jan-08	PROMOCAO DE PRESA DDH OIMFS - PROMOCAO DA EDUCACAO CIVICA E LEGALIDADE LABORAL DOS TRABALHADORES	90.000	81.000	0	81.000	0	0	0	81.000	0	0	0	9.000	0	0
2006	DDH 17478		125789	Dec-09	KULIMA-FAVORECENDO O PROCESSO DE DESCENTRALIZACAO A NIVEL DISTRICTAL LANCAO PELO GOVERNO ATRAVES DE UMA EDUCACAO COMUNITARIA A DEMOCRACIA NO DISTRITO DE MELUCC	100.000	31.864	0	31.864	0	0	0	31.864	0	0	0	29.068	0	0
2006	DDH 17478		125790	Dec-08	FORUM TEIA- CONSTITUCAO DE OBSERVATORIOS DISTRITAIS DA POBREZA NIASA	99.430	43.902	0	43.902	0	0	0	43.906	0	0	0	45.585	0	0
2006	DDH 17478		125815	Jul-09	LDH-PROMOCAO DA DEMOCRACIA PARTICIPATIVA NAS ELEICOES E NA GOVERNACAO DA PROVINCIA DA ZAMBESIA	82.648	21.219	0	21.219	0	0	0	21.129	0	0	0	26.628	0	0
Total Individual Commitment DDH						6.444.226	3.934.540	0	922.954	0	206.806	0	962.344	0	35.047	0	1.013.807	0	508.681
<b>Budget Lines - SANTE</b>																			
	Decision N°(CRIS)		0																
2002	SANTE 4971		49109	Jan-09	CARE OSTERREICH-AIDS PREVENTION, POSITIVE LIVING AND EMPOWERMENT (APPE)	3.894.210	3.504.788	0	0	0	0	0	389.422	0	389.422	0	0	0	0
2003	SANTE 5897		80318	Feb-09	MEDICUS MONDI CATALUNYA-STRENGTHENING SAFE MOTHERHOOD (Provincial Health Board - GAZ)	2.250.000	2.025.000	0	609.085	0	609.085	0	0	0	609.085	0	0	0	225.000
2004	SANTE 6079		96157	Jan-10	MEDICUS MONDI CATALUNYA-SUPPORT IMPLEMENTATION OF STD/HIV/AIDS PLAN - GAZA	2.025.000	1.351.241	0	471.299	0	0	0	0	0	471.279	0	0	0	202.500
2007	SANTE 17998		105398	Mar-11	ISTITUTO DE IGIENE E MEDECINA TROPICAL - SUPPORT TO THE MALARIA CONTROL PROGRAMME IN CHÔCKWÊ Region	2.691.750	800.812	2.691.750	800.812	0	800.812	2.488.500	800.640	0	800.812	0	0	0	540.588
Total Individual Commitment SANTE						10.860.960	7.681.841	2.691.750	1.881.196	0	1.409.897	2.488.500	1.190.062	0	2.270.598	0	0	0	968.088
<b>Budget Lines - MAP</b>																			
	Decision N°(CRIS)		0																
2000	MAP 3844		54437	Dec-05	EMERGENCY MINE ACTION	1.950.000	1.755.000	0	0	0	0	0	0	0	0	0	0	0	0
2003	MAP 5808		76590	Jul-08	UNDP-SUPPORT FOR CAPACITY BUILDING TO THE NATIONAL DEMINING INSTITUTE IN MOZAMBIQUE	1.000.000	900.000	0	0	0	0	0	100.000	0	100.000	0	0	0	0
2005	MAP 6040		109807	Dec-08	HANDICAP INTERNATIONAL-ACTION AGAINST ANTIPERSONAL MINES IN MOZAMBIQUE	900.000	474.679	0	0	0	0	0	425.321	0	0	0	0	0	0
Total Individual Commitment MAP						3.850.000	3.129.679	0	0	0	0	0	525.321	0	100.000	0	0	0	0
<b>Budget Lines - ENV</b>																			
	Decision N°(CRIS)		0																
2002	ENV 4267		63241	Dec-08	UNIV.EDINBURGH-MOMBO COMMUNITY LAND USE AND CARBON MANAGEMENT	1.587.232	1.133.242	0	554.574	0	313.834	0	0	0	524.000	0	0	262.000	0
2007	ENV 17911		114879	Apr-11	ADPP - FARMER'S CLUBS FOR FOREST - PROMOTING SUSTAINABLE NATURAL RESOURCE MANAGEMENT IN AND AROUND QUIRIMBAS PARK	298.976	155.741	298.976	155.741	0	0	298.976	155.741	0	0	0	0	113.337	0
Total Individual Commitment ENV						1.886.208	1.288.983	298.976	710.315	0	313.834	298.976	155.741	0	524.000	0	0	375.337	0
<b>Budget Lines - ONG</b>																			
	Decision N°(CRIS)		0																
2000	ONG		11598	Jan-03	CENTRO SVILUPPO TERZO MONDO-PROGETTO PER LA REALIZZAZIONE DI TRE CENTRI DI APPOGGIO SOCIALE IN TRE QUARTIERI PERIFERICI, MAPUTO	299.988	269.981	0	0	0	0	0	0	0	0	0	0	0	0
2002	ONG 1092		20756	May-08	DEUTSCHES ROTES KREUZ-INTEGRATED COMMUNITY BASED CARE FOR PEOPLE LIVING WITH HIV/AIDS, TERMINAL DISEASES AND ORFANS IN GAZA	716.092	528.156	0	116.327	0	0	0	116.327	0	0	0	116.327	0	0
2002	ONG 1092		20758	Jan-07	C.INTERHOSPITALARIO COOPERACION-FORTALECIMIENTO DE LOS SERVICIOS BASICOS DE SALUD EN EL DISTRITO DE MORRUMBALA, ZAMBESIA	728.968	656.072	0	0	0	0	0	72.896	0	72.896	0	0	0	0
2002	ONG 1092		20770	Mar-06	MSF LUXEMBOURG-INTEGRATED NETWORK TO COMBAT HIV/AIDS IN TETE	750.000	675.000	0	0	0	0	0	0	0	75.000	0	0	0	0
2002	ONG 1092		20777	Mar-07	HELPSAGE INT - PARTNER CAPACITY BUILDING AND POVERTY ALLEVIATION IN MOZAMBIQUE	750.000	675.000	0	0	0	0	0	0	0	75.000	0	0	0	0
2002	ONG 1521		11792	Jan-06	CONCERN WORLDWIDE-DECEN TRALISED PARTICIPATORY DISTRICT PLANNING IN NAMPULA	682.844	682.844	0	27.797	0	0	0	0	0	33.244	0	0	0	0
2002	ONG 1531		11706	Jan-06	CONCERN WORLDWIDE-ADVANCEMENT OF PRIMARY EDUCATION AND ADULT LITERACY IN NAMPULA CITY	1.000.000	1.000.000	0	100.000	0	0	0	100.000	0	0	0	0	0	0
2002	ONG 3581		11680	Apr-06	INT LIMB PROJECT POWER-CAPACITY BUILDING IN THE DISABILITY SECTOR IN MOZAMBIQUE	959.229	959.229	0	78.862	0	0	0	97.819	0	0	0	0	0	0
2003	ONG 4562		62024	Jan-10	ESSOR-SUSTAINABLE AGRICULTURE AND FOOD SECURITY BEIRA	749.000	674.100	0	129.388	0	129.388	0	0	0	129.388	0	74.900	0	0
2003	ONG 4562		63352	Oct-09	GV CIVILE-PROGRAMA SE SUPORTE AOS PROCESSOS PRODUTIVOS E DE COMERCIALIZACAO DA INDUSTRIA DE CAJU NA REGIAO SUL	593.601	327.806	0	0	0	0	0	103.217	0	103.217	0	103.217	0	0
2005	ONG 6239		94701	Jul-10	COLLEGIO UNIVERSITARIO N ASPIRANTI MEDICI MISSIONARI-SAUDE PARA A POPULACAO DE NAMA	819.000	513.333	0	223.767	0	0	0	223.767	0	0	0	223.767	0	0
2005	ONG 6239		94856	Jul-12	CONCERN WORLDWIDE-ADVANCING PRIMARY EDUCATION IN LOWER ZAMBESIA	750.000	273.594	0	133.795	0	133.795	0	133.795	0	133.795	0	133.795	0	0

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IDENTIFICATION					CURRENT DATA (END 2007)						FORECASTS - 2007/2008								
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						GC / IC	PAY	GC / IC	PAY / RO	GC / IC	PAY / RO	GC / IC	PAY	GC / IC	PAY	GC / IC	PAY	GC / IC	PAY
2005	ONG 6239		95011	Aug-10	FONDAZIONE TERRE HOMMES-ESTABLISHMENT OF DEVELOPMENT EDUCATION SOCIAL CENTRES, BOANE & MATOLA	720.694	444.350	0	204.275	0	0	0	204.274	0	0	0	204.274	0	0
2005	ONG 6239		95459	Jul-11	HILFSWERK AUSTRIA-SEGURANÇA DA POSSE DA TERRA E DESENVOLVIMENTO SUSTENTAVEL NO SUL DE SOFALA	662.020	284.749	0	103.689	0	103.689	0	103.689	0	103.689	0	103.689	0	0
2005	ONG 6239		95505	Jul-10	VOLUNTARIADO INTERNACIONAL DESENVOLVIMENTO AFRICANO CAPACITAÇÃO COMUNIDADES RURAIS DESENVOLVIMENTO PARTICIPATIVO DISTRITO MATUTUINE	341.717	307.545	0	193.481	0	96.741	0	96.740	0	0	0	54.602	0	0
2005	ONG 6239		95618	Jul-10	NOVIB-PROGRAMA TRIENAL PARA ASSEGURAR A TERRAE RECURSOS NATURAIS DAS COMUNIDADES RURAIS DA ZAMBEZIA	1.500.000	900.329	0	449.635	0	449.635	0	449.653	0	449.653	0	449.653	0	0
2005	ONG 6239		96937	Jan-10	CENTRO INFORMAZIONE E EDUCAZIONE ALLO SVILUPPO-BLOCK GRANT 2004: REDUÇAO DA EXCUSAO SOCIAL DE MENORES EM RISCO E DOENTES MENTAIS. MAPUTO	444.940	279.848	0	120.598	0	0	0	120.597	0	0	0	120.597	0	44.494
1999	ONG		11007	Dec-05	COSV - ASSISTENZA PER I GRUPPI PIU VULNERABILI MAPUTO	696.215	695.141	0	0	0	0	0	0	0	0	0	0	0	0
2006	ONG 17215		118801	Dec-09	FORTALECIMENTO, DESENVOLVIMENTO LOCAL PARTICIPATIVO NOS DISTRITOS MUNICIPAIS 2 E 5 DA CIDADE DE MAPUTO	487.000	176.505	0	0	0	0	0	0	0	130.897	0	0	0	130.897
2006	ONG 17215		119236	Jun-12	COMMUNITY BASED HEALTH CARE IN NIASSA PROVINCE (Mozambique)	716.633	150.340	0	150.340	0	0	0	150.340	0	164.876	0	164.876	0	0
2007	ONG 18227		134409	Jan-11	DOULEURS SANS FRONTIÈRES - Relever le Défi: contribuer au bien-être et au soulagement des souffrances des populations en difficulté au Mozambique	750.000	0	750.000	0	750.000	0	0	0	0	0	0	0	0	0
2007	ONG 18227		134476	Jan-12	ASSOCIATION ESSOR - Desenvolvimento concertado de três bairros periféricos da cidade da Beira – Moçambique	748.221	244.908	748.221	244.908	748.221	244.908	0	0	0	0	0	0	0	0
2007	ONG 18227		134479	Jan-12	ASSOCIATION ESSOR - Apoio a formação e a inserção profissional dos jovens sem emprego de Maputo e Beira em Moçambique	747.184	178.640	747.184	178.640	747.184	178.640	0	0	0	0	0	0	0	0
2007	ONG 18227		134482	Jan-12	HELPAE INTERNATIONAL - Fulfilling entitlements to health for vulnerable groups Mozambique	750.000	0	750.000	0	750.000	0	0	0	0	0	0	0	0	0
2007	ONG 18227		134506	Jan-10	OPPORTUNITY TRUST FOUNDATION - Sustainable Poverty Alleviation in Mozambique	535.365	0	535.365	0	535.365	0	0	0	0	0	0	0	0	0
2007	ONG 18227		134515	Jan-11	U-LANDHJALP FRÅN FOLK TILL FOLK I FINLAND RF - Pre-service and in-service education of primary school teachers	1.160.665	0	1.160.665	0	1.160.665	0	0	0	0	0	0	0	0	0
2007	ONG 18227		135019	Jan-11	ASSOCIAZIONE COOPERAZIONE INTERNAZIONALE - "Institution of a Community Radio in Nhamatanda – Sofala – Central Mozambique"	108.409	0	108.409	0	108.409	0	0	0	0	0	0	0	0	0
2007	ONG 18227		135251	Jan-11	STICHTING WILDE GANZENIKON - "Vocational training towards entrepreneurship in the self-sustainable and replicable franchise model"	749.928	0	749.928	0	749.928	0	0	0	0	0	0	0	0	0
2007	ONG 18227		135365	Jan-13	CONCERN WORLDWIDE - Primary Education for All in a Protective Environment in Mozambique	750.000	0	750.000	0	750.000	0	0	0	0	0	0	0	0	0
<b>Total Individual Commitment ONG</b>						<b>20.667.712</b>	<b>10.897.470</b>	<b>6.299.772</b>	<b>2.455.503</b>	<b>6.299.772</b>	<b>1.336.796</b>	<b>0</b>	<b>2.006.358</b>	<b>0</b>	<b>1.438.411</b>	<b>0</b>	<b>1.749.697</b>	<b>0</b>	<b>175.391</b>
<b>Budget Lines - FOOD</b>																			
<b>GLOBAL NGO DECISIONS 1996-99</b>																			
	<b>Decision N°(CRIS)</b>		<b>0</b>		<b>GLOBAL NGO DECISIONS 1996-99</b>														
1999	FOOD 2502		48345	Dec-06	WORLD VISION UK-Nampula 49083/19	2.000.000	1.689.481	0	0	0	0	0	273.483	0	273.483	0	0	0	0
1998	FOOD 3469		53695	Dec-05	AMODER-Niassa 96/01	943.216	794.626	0	0	0	0	0	0	0	0	0	0	0	0
1998	FOOD 3469		53697	Aug-04	CARE DEUTSCHLAND-Inhambane 96/3	2.293.119	2.293.119	0	0	0	0	0	0	0	0	0	0	0	0
<b>Total Individual Commitment GLOBAL NGO 1996-99</b>						<b>5.236.335</b>	<b>4.777.226</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>273.483</b>	<b>0</b>	<b>273.483</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>MULTIANNUAL PROGRAMME - CF MOZ 1999</b>																			
1999	<b>Decision N°(CRIS)</b>		<b>0</b>	<b>Dec-05</b>	<b>MULTIANNUAL PROGRAMME - CF MOZ 1999</b>	<b>18.000.000</b>	<b>17.482.719</b>												
2000	FOOD 2527		97446	Dec-06	CORD ProDAM-Mecanheles, Niassa 99/03	229.167	0	0	0	0	0	99.394	0	50.000	0	0	0	0	0
2001	FOOD 2527		97447	Dec-06	MOVIMONDO-Mandimba, Niassa 99/04	159.362	0	0	0	0	0	0	0	0	0	0	0	0	0
2000	FOOD 2527		97452	Dec-06	OXFAM-Niassa 99/06	773.748	508.860	0	0	0	0	100.000	0	180.000	0	0	0	0	0
2000	FOOD 2527		97453	Dec-06	WORLD VISION UK-Milange, Zambezia 99/09	681.031	0	0	0	0	0	493.016	0	0	0	0	0	0	0
<b>Total Individual Commitment FOOD SECURITY 1999</b>						<b>1.843.308</b>	<b>508.860</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>692.410</b>	<b>0</b>	<b>230.000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>GENERAL CALL FOR PROPOSALS 2002</b>																			
2002	<b>Decision N°(CRIS)</b>		<b>0</b>	<b>Jun-07</b>	<b>GENERAL CALL FOR PROPOSALS 2002</b>														
2003	FOOD 2351		56839	Jul-10	ADRA-Cashew Inhambane	2.837.373	2.553.636	0	578.031	0	0	578.031	0	0	0	0	0	0	283.737
2004	FOOD 2351		56842	May-10	OIKOS-Bilene, Gaza	1.176.629	1.058.966	0	390.600	0	0	0	0	0	0	0	0	0	117.663
2003	FOOD 2351		56847	Jul-10	VETAID-Gaza	2.653.203	2.387.883	0	472.430	0	472.430	0	0	0	472.430	0	0	0	265.320
2003	FOOD 2351		56852	Jun-10	WORLD VISION DEUTSCHLAND-Nhambavale, Inhambane	1.740.125	1.228.000	0	338.113	0	0	676.226	0	338.113	0	174.012	0	0	0
2003	FOOD 2351		56871	Jun-10	VETAID-Southern Inhambane	1.771.779	1.594.601	0	348.240	0	0	348.240	0	0	0	0	0	0	177.178
2003	FOOD 2351		60736	Jul-10	ITGD-Gaza	1.386.923	1.248.231	0	241.165	0	0	0	0	0	0	0	0	0	138.692
<b>Total Individual Commitment CALL FOR PROPOSALS 2002</b>						<b>11.566.032</b>	<b>10.071.317</b>	<b>0</b>	<b>2.368.579</b>	<b>0</b>	<b>472.430</b>	<b>0</b>	<b>1.602.497</b>	<b>0</b>	<b>810.543</b>	<b>0</b>	<b>174.012</b>	<b>0</b>	<b>982.590</b>
<b>MULTIANNUAL PROGRAMME - CF MOZ 1997</b>																			
1997	<b>Decision N°(CRIS)</b>		<b>0</b>	<b>Dec-01</b>	<b>MULTIANNUAL PROGRAMME - CF MOZ 1997</b>	<b>14.976.522</b>	<b>14.976.522</b>												
1998	FOOD 3473		53737	Dec-05	MINISTERIO DE INDUSTRIA E COMERCIO	2.050.000	2.050.000	0	0	0	0	0	0	0	0	0	0	0	0
<b>Total Individual Commitment MIC</b>						<b>2.050.000</b>	<b>2.050.000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

Annex c) 1 - MIS Table (2007) Indicative Timetable for Disbursements

IDENTIFICATION					CURRENT DATA (END 2007)						FORECASTS - 2007/2008								
Year GC/IC	ACCOUNTING Nb. GC	GC (N+3)	IC #	END IMP GC/IC	TITLE	Cumulated 31/12/2007		Actual Performance 31 December 2007		Realised 2nd Semester 2007		FORECAST 1st Sem 2007		FORECAST 2nd Sem 2007		FORECAST 1st SEM 2008		FORECAST 2nd SEM 2008	
						GC / IC	PAY	GC / IC	PAY / RO	GC / IC	PAY / RO	GC / IC	PAY	GC / IC	PAY	GC / IC	PAY	GC / IC	PAY
2000	Decision N°(CRIS)		0	Jun-06	MULTIANNUEL PROGRAMME - CF MOZ 2000	14.600.000	14.081.973												
2001	FOOD 2530		48568	Dec-07	TRANCHE MADER 2000	5.800.000	5.800.000	0	0	0	0	0	0	0	0	0	0	0	0
Total Individual Commitment FOOD SECURITY 2000						5.800.000	5.800.000	0	0	0	0	0	0	0	0	0	0	0	0
2001	Decision N°(CRIS)		0	Jun-07	MULTIANNUEL PROGRAMME - CF MOZ 2001	14.800.000	14.780.935												
2001	FOOD 2342		47269	Jun-07	TRANCHE MPF 2001 (facilité en devises)	8.400.000	8.400.000	0	0	0	0	0	0	0	0	0	0	0	0
2003	FOOD 2342		61773	Dec-06	TRANCHE MADER 2001	5.800.000	5.800.000	0	0	0	0	0	0	0	0	0	0	0	0
2007	FOOD 2342		137670	Sep-07	HTSPE LTD - Plano Director do Caju II	135.244	81.146	135.244	81.146	135.244	81.146	0	0	0	0	0	0	0	0
Total Individual Commitment FOOD SECURITY 2001						14.335.244	14.281.146	135.244	81.146	135.244	81.146	0	0	0	0	0	0	0	0
2002	Decision N°(CRIS)		0	Jun-07	MULTIANNUEL PROGRAMME - CF MOZ 2002	14.800.000	14.695.404												
2002	FOOD 2357		51087	Jan-07	TRANCHE MPF 2002 (facilité en devises)	8.400.000	8.400.000	0	0	0	0	0	0	0	0	0	0	0	0
2004	FOOD 2357		86524	Jan-10	TRANCHE MADER 2002	5.800.000	5.800.000	0	1.800.000	0	600.000	0	1.800.000	0	0	0	0	0	0
2006	FOOD 2357		131142	Jan-07	Follow up of Technical Assistance for the formulation of a medium term expenditure framework for the Ministry of Agriculture	4.990	4.990	0	4.990	0	0	0	0	0	0	0	0	0	0
Total Individual Commitment FOOD SECURITY 2002						14.204.990	14.204.990	0	1.804.990	0	600.000	0	1.800.000	0	0	0	0	0	0
2003	Decision N°(CRIS)		0	Feb-12	MULTIANNUEL PROGRAMME - CF MOZ 2003	18.000.000	18.000.000												
2004	FOOD 5776		81761	Mar-08	TRANCHE MIC 2003	2.000.000	1.750.000	0	250.000	0	0	0	350.000	0	100.000	0	0	0	0
2004	FOOD 5776		84319	Jul-07	TRANCHE MPF 2003 (facilité en devises)	6.500.000	5.100.000	0	0	0	0	0	1.100.000	0	1.000.000	0	0	0	0
2004	FOOD 5776		84367	Feb-10	TRANCHE MADER 2003	9.500.000	9.500.000	0	1.500.000	0	1.500.000	0	1.500.000	0	1.500.000	0	0	0	0
Total Individual Commitment FOOD SECURITY 2003						18.000.000	16.350.000	0	1.750.000	0	1.500.000	0	2.950.000	0	2.600.000	0	0	0	0
2004	Decision N°(CRIS)		0	Feb-12	MULTIANNUEL PROGRAMME - CF MOZ 2004	15.000.000	14.656.385												
2005	FOOD 16902		104710	Jul-07	TRANCHE MIC 2004	180.000	180.000	0	0	0	0	0	0	0	0	0	0	0	0
2005	FOOD 16902		104719	Feb-11	TRANCHE I MPF 2004 (facilité en devises)	14.000.000	12.920.000	0	5.000.000	0	1.000.000	0	4.500.000	0	1.000.000	0	0	0	0
2005	FOOD 16902		106078	Apr-08	LANDELL MILLS - Audit and Evaluation of the Foreign Facilities for Budget Support, 2003-2005 Food Security Programme	184.957	92.478	0	0	0	0	0	92.478	0	92.478	0	0	0	0
2007	FOOD 16902		140755	Dec-08	IDENTIFICATION OF 2ND PHASE OF THE EC-FUNDED AGRICULTURAL MARKETING CREDIT PROGRAMME	87.628	52.577	87.628	52.577	87.628	52.577	0	0	0	0	0	0	0	0
2007	FOOD 16902		142019	Jan-09	ZHOU - Preparation of Support Programme to Farmer Associations in Mozambique	4.950	4.950	4.950	4.950	4.950	4.950	0	0	0	0	0	0	0	0
2007	FOOD 16902		143533	Jul-11	TRANSTEC - TA to the ongoing reforms process of Ministry of Trade (MIC)	198.850	119.310	198.850	119.310	198.850	119.310	0	92.478	0	92.478	0	0	0	0
Total Individual Commitment FOOD SECURITY 2004						14.656.385	13.369.316	291.428	5.176.837	291.428	1.176.837	0	4.684.956	0	1.184.956	0	0	0	0
2005	Decision N°(CRIS)	Nov-08	0	Dec-13	MULTIANNUEL PROGRAMME - CF MOZ 2005	15.000.000	7.500.000												
2006	FOOD 17787		122352	Dec-13	TRANCHE IMPF 2005 (facilité en devise)	7.500.000	1.120.000	0	1.120.000	0	500.000	0	500.000	0	2.000.000	0	2.000.000	0	1.000.000
2008	FOOD 17787			NEW	TA Support to Farmer's Associations	0	0	0	0	0	0	0	0	0	0	400.000	0	0	0
2008	FOOD 17787			NEW	Support to Farmer's Associations	0	0	0	0	0	0	0	0	0	0	3.600.000	0	0	1.000.000
2008	FOOD 17787			NEW	Microfinance	0	0	0	0	0	0	0	0	0	0	2.000.000	0	0	500.000
Total Individual Commitment FOOD SECURITY 2005						7.500.000	1.120.000	0	1.120.000	0	500.000	0	500.000	0	2.000.000	6.000.000	2.000.000	0	2.500.000
<b>Budget Lines - SUCRE</b>																			
2006	Decision N°(CRIS)		0	Dec-06	Accompanying measures 2006 for sugar protocol countries	562.000	550.000								562.000				
2007	SUCRE 18514		143829	Jun-08	Accompanying Measures 2006 for Sugar Protocol Countries	550.000	550.000	550.000	550.000	550.000	550.000	562.000	562.000	562.000	562.000	0	0	0	0
Total Individual Commitment SUCRE 2006						550.000	550.000	550.000	550.000	550.000	550.000	562.000	562.000	562.000	562.000	0	0	0	0
2007	Decision N°(CRIS)		0	Dec-06	Accompanying Measures 2006/2010 for Sugar Protocol Countries	6.000.000	0								6.000.000				
2007	SUCRE 19155			NEW	Accompanying Measures 2006/2010 for Sugar Protocol Countries	0	0	0	0	0	0	0	0	0	0	2.100.000	2.100.000	0	0
Total Individual Commitment SUCRE 2007						0	0	0	0	0	0	0	0	0	0	2.100.000	2.100.000	0	0
<b>Budget Lines - FISH</b>																			
2003	Decision N°(CRIS)		0	Dec-06	FISHERIES AGREEMENT 2004-06														
2004	MZ/CE/X1		1	Dec-06	TRANCHES 2004, 2005 & 2006	12.270.000	12.270.000	0	1.016.072	0	1.016.072	0	1.016.072	0	1.016.072	0	0	0	0
Total Individual Commitment FISHERIES 2004-2006						12.270.000	12.270.000	0	1.016.072	0	1.016.072	0	1.016.072	0	1.016.072	0	0	0	0

Annex c) 1 - MIS Table (2007) Indicative Timetable for Disbursements

IDENTIFICATION					CURRENT DATA (END 2007)						FORECASTS - 2007/2008								
Year GC/IC	ACCOUNTING Nb. GC	GC (N+3)	IC #	END IMP GC/IC	TITLE	Cumulated 31/12/2007		Actual Performance 31. December 2007		Realised 2nd Semester 2007		FORECAST 1st Sem 2007		FORECAST 2nd Sem 2007		FORECAST 1st SEM 2008		FORECAST 2nd SEM 2008	
						GC / IC	PAY	GC / IC	PAY / RO	GC / IC	PAY / RO	GC / IC	PAY	GC / IC	PAY	GC / IC	PAY	GC / IC	PAY
2006	Decision N°(CRIS)		0		FISHERIES AGREEMENT 2007-2011									4.500.000					
				NEW	TRANCHES 2007- 2011	0	0	0	0	0	0	4.500.000	0		900.000	0	0	0	0
Total Individual Commitment FISHERIES 2007-2011						0	0	0	0	0	0	4.500.000	0	0	900.000	0	0	0	0

**SUMMARY (Cumulated)**

<b>EDF + ECHO</b>																			
GLOBAL COMMITMENTS	659.736.214	549.045.681	97.282.000	0	86.282.000	0	11.000.000	0	86.282.000	0	0	0	0	0	0	0	0	0	0
INDIVIDUAL COMMITMENTS	380.500.653	247.929.407	148.843.696	147.423.788	126.696.269	105.870.245	130.042.834	107.205.626	127.715.193	86.141.486	79.880.000	86.814.293	1.060.000	43.274.700					
																			RECOVERY ORDERS (RO)
																			-274.609
<b>EDF - RPR</b>																			
GLOBAL COMMITMENTS	23.008.521	18.037.219	3.680.355	0	3.680.355	0	0	0	0	0	0	0	0	0	0	0	0	0	0
INDIVIDUAL COMMITMENTS	61.181.382	5.315.864	31.457.939	5.838.699	31.457.939	5.838.699	5.204.000	5.900.000	32.187.985	8.563.092	4.500.000	1.577.267	0	13.573.316					
																			RECOVERY ORDERS (RO)
																			0
<b>EDF - MTR</b>																			
GLOBAL COMMITMENTS	4.906.402	1.936.402	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
INDIVIDUAL COMMITMENTS	712.193	467.726	474.567	330.806	353.058	176.348	272.996	189.389	250.000	237.508	1.000.000	528.064	250.000	375.000					
																			RECOVERY ORDERS (RO)
																			0
<b>Total EDF</b>																			
GLOBAL COMMITMENTS	687.651.136	569.019.302	100.962.355	0	89.962.355	0	11.000.000	0	86.282.000	0	0	0	0	0	0	0	0	0	0
INDIVIDUAL COMMITMENTS	442.394.228	253.712.991	180.777.232	153.593.294	158.507.266	111.885.292	135.519.830	113.295.015	160.153.178	94.942.086	85.380.000	88.919.624	1.310.000	57.223.016					
																			RECOVERY ORDERS (RO)
																			-274.609
<b>BUDGET</b>																			
	151.721.401	122.285.366	10.267.170	19.837.592	7.276.444	8.707.018	7.849.476	18.921.244	562.000	13.945.110	8.100.000	7.412.853	0	5.134.750					
																			RECOVERY ORDERS (RO)
																			0
<b>TOTAL GCommitments</b>																			
	687.651.136	569.019.302	100.962.355	0	89.962.355	0	11.000.000	0	86.282.000	0	0	0	0	0	0	0	0	0	0
<b>TOTAL ICommitments</b>																			
	594.115.629	375.998.359	191.044.402	173.430.886	165.783.710	120.592.310	143.369.306	132.216.259	160.715.178	108.887.196	93.480.000	96.332.477	1.310.000	62.357.766					
																			RECOVERY ORDERS (RO)
																			-274.609

ANNEX c) 2 - Partnerships and Priority Actions of the Lisbon Plan

(for Delegations in Africa only)

EDF 10

in euro x 1000

STRATEGY FOR AFRICA	EUROPEAN CONSENSUS	sectors	Partnerships and Priority Actions of the Lisbon Plan	planned commitments in NIP for 10th EDF
Human rights and governance	governance, human rights and support to economic and institutional reforms	governance	Partnerships on 2. Democratic Governance and Human Rights  7. Migration, Mobility and Employment	Governance progr  20.000,00
		economic and institutional reforms		
		Non State Actors		
Peace and security	conflict prevention and fragile states	conflict prevention and fragile states	Partnership on 1. Peace and Security	Security Sector intervention 10.000,00
Economic growth, regional integration and trade	trade and regional integration	European Partnership Agreements	Partnership on 3. Trade (and Regional Integration)	
		regional economic integration	3. (Trade) and Regional Integration	
		private sector development		Private sector development 5.000,00
	infrastructure, communication and transport	infrastructure, communication and transport	8. Partnership on Science, information society, space	Transport 110.000,00
	water and energy	water		
	energy	5. Partnership on Energy		
	unspecified			
investing in people	social cohesion and employment	social cohesion and employment	6. Partnership on Climate change	
	environment and sustainable management of natural resources	environment and sustainable management of natural resources		Maputo coastal protection 5.000,00
	rural development, territorial planning, agriculture and food security	rural development and territorial planning		
		agriculture		
	human development	health		SPSP 5 years 50.000,00
		primary education		
	education unspecified			
other	TCF	TCF		TCF III 2.000,00
	support to NAO	support to NAO		<i>tbc</i>
	unspecified	unspecified		
Budget Support	GBS	General Budget Support		PRBS IV 5 years 310.000,00
<b>TOTAL</b>	<b>TOTAL</b>	<b>TOTAL</b>	<b>4. Partnership on the MDG's</b>	<b>572.000,00</b>

DEV/C1 11/12/07

## **ANNEX C) - Questions on the EU Aid Effectiveness targets**

The Commission has to report its performance annually against the four EU targets on aid effectiveness. The data for this will be collected through the EAMR reporting system. You are therefore requested to complete the questions below with specific information as noted so that the current baseline we have from the July 2007 EAMR can be tracked annually. The information will also be important for you to exchange with your government colleagues, NGOs and with other donors, including MS.

Delegations had difficulty completing the questionnaire for the July 2007 EAMR. Following discussions with them the guidance to measure each target has been made more specific, following the revised OECD guidance for the 2008 survey. We hope you find the new elements more helpful. If you would still like further clarifications please contact your desk officer in AIDCO.

Some Delegations will also be completing the OECD survey during Jan-March 08. Your responses below should make it much easier to answer the OECD survey.

**Regional offices will have to complete Annex C separately for each country in their region.**

Please note that within the strategy that EuropeAid in relation to EU Target 4 – reduce the number of uncoordinated missions by 50 % - a number of new points have been prepared:

- Delegations are invited to:

- list dates for HQ missions already planned for the immediate 6 months period and mention if they are not coordinated;
- indicate to HQ what priority missions the Delegations estimate better serves coordination arrangements at local level for the following 6 months period.

The periods for missions, to be used in the January and July EAMR are as follows:

- In the 2008 January EAMR; Delegations list missions agreed for the period March to August 2008 and indicate their priorities for HQ in the period September 2008 to February 2009;
- In the 2008 July EAMR; Delegations list missions agreed for September 2008 to February 2009 and then indicate their priorities for HQ missions in the period March to August 2009.

## ANNEX d) 1 EAMR questionnaire aid effectiveness.doc

<b>1. EU Target No 1</b>		
Channel 50% of government-to-government assistance through country systems, including by increasing the percentage of our assistance provided through budget support or SWAP arrangements		
<b>2. Introduction</b>		
<p>The aim is to collect information that allows us to measure this target. The information that is needed is both the total amount of ODA provided, as well as the extent to which country systems are used in providing this ODA. For these purposes the country systems are defined as covering four main areas: (i) national budget execution procedures; (ii) national financial reporting procedures; (iii) national auditing procedures; and (iv) national procurement systems. By treating each of these four areas as having a 25% weight and dividing by the total amount of ODA provided the information required can be calculated (hence the division by four – see part 4 below). In all cases the necessary information can be collected using the same definitions as those in the OECD/DAC "Definitions and Guidance" (see attached page which includes an extract of definitions relevant to this indicator)</p>		
<b>3. Questions and definitions</b>		
Question	Definition – OECD Ref	Response EUR (M)
How much ODA did you disburse at country level for the government sector in FY 2007 (EUR)?	Qd2	130
How much ODA disbursed for the government sector in FY 2007 used national budget execution procedures (EUR)?	Qd5	67.1
How much ODA disbursed for the government sector in FY 2007 used national financial reporting procedures (EUR)?	Qd6	65.1
How much ODA disbursed for the government sector in FY 2007 used national auditing procedures (EUR)?	Qd7	53.3
How much ODA disbursed for the government sector in FY 2007 used national procurement procedures (EUR)?	Qd9	60.0
<b>4. Definition of Indicator</b>		
[(Qd5 + Qd6 + Qd7 + Qd9) ÷ 4] ÷ [Qd2] (please calculate and enter as response %)		47.2%
<b>5. Additional information</b>		
<p>Are there any significant initiatives in your country to promote the use of country systems? If so provide a list and a short description. If not, highlight the constraints to use of country systems (use additional space as needed)</p>		
<p>The group of 19 donors providing budget support to the Government of Mozambique (Programme Aid Partners - PAPs or G-18), is the main forum for policy dialogue with GoM, and meets at various levels (HoM's, HoC's, economists, sector working groups, etc). Out of the 19 donors providing budget support, 14 are from the EU-15, all represented in Maputo. The EC is a regular member of the Troika+ for general budget support, which steers the process of annual reviews and upgrades the dialogue around BS – and the use of country systems - to the highest political level. The Government is accountable on the terms of its performance assessment framework (PAF). Two joint annual reviews (Mid Year Review and Joint Review) are carried out in order to assess the performance of both parties. This harmonization framework is quite advanced and may be considered as a case of best practice.</p> <p>The <b>Programme Aid Partners</b> (PAPs-G19) have made specific commitments concerning the manner in which they provide aid, in accordance with the Paris Declaration (2005), and are subject to an annual external assessment of their own performance. The overall performance of the PAPs in 2006 was considered mixed in the Joint Review of April 2007. Main area of progress concerned the use of the national Public Financial Management System. An area of concern is the global low proportion of programmatic aid (55% compared to target of 70%). The EC participated actively in this process through the preparation of its reply as PAP and through meetings held with consultant.</p>		

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Reform of the Procurement Law: The Central Procurement Supervision Unit (UFSA) was created in 2006 and started operations, albeit with some delays. Linkages between UFSA and ministries with a large volume of procurement such as the ministries of Health and Education need to be ensured. There remains a challenge in the dissemination of the procedures in force for the provinces and districts.

PFM reform (SISTAFE): The first phase of the financial system reform, which provides the necessary functionalities for direct on line budget execution and initiates a move away from the traditional system of advancement of funds, was developed and made available to ministries at central and provincial level.

PROAGRI: In 2006, an external final Evaluation of Proagri 1 (2001-2005) was completed. It was concluded that financial management is an achievement from PROAGRI I. However, some difficulties have reappeared and have been reported during the financial audit 2005, in part as a consequence of MINAG staff leaving the Ministry. Proagri is now disbursed under the SBS modality.

A Road Maintenance and Capacity building full sector budget support programme was prepared (12.6M€) starting 2008 including 9.5 M€ to be channelled using treasury national procurement and audit procedures.

Financial support to the health sector as from 2008 will be by means of sector budget support, i.e. using solely national procedures.

The International Health Partnership for Mozambique was launched in London in September. This foresees the approval of a compact by mid-2008 between all relevant partners and the GoM for the support of health services in Mozambique. However, the need for a new “compact” is limited, since the sector already has a medium term strategic plan (PESS 2007-2012) approved in August, annual rolling MTEFs, a Code of Conduct, SWAp ToRs (approved in March), and soon a new MoU centred around sector budget support and a 40 indicator Performance Assessment Framework (to be signed in March 2008). All these contribute towards a coordinated approach for providing technical and financial support to the MoH, in line with GoM budget cycles and procedures. The EC, as focal partner, aims at ensuring that the new international initiatives will integrate with in-country alignment processes rather than impose new processes.



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<b>1. EU target 2</b>		
Provide all capacity building assistance through coordinated programmes with an increasing use of multi-donor arrangements <sup>1</sup>		
<b>2. Introduction</b>		
<p>EU target 2 aims to measure progress in aligning and coordinating support for capacity development. It's closely linked with indicator 4 of the Paris Declaration. Therefore, the term "capacity building" used in the EU target is interpreted as "technical cooperation". This use of the DAC definitions allows consistency with the DAC monitoring of the Paris Declaration.</p> <p>The term "coordinated" also refers to the DAC definition which covers the following principles: ownership of TC by partner countries, alignment of TC with countries/local strategies and objectives and, where more than one donor is involved, harmonisation of TC among donors.</p> <p>To avoid confusion, we strongly advise that you use the definitions given in the OECD guidance, by clicking on the link <a href="http://www.oecd.org/dataoecd/13/29/36306366.doc">http://www.oecd.org/dataoecd/13/29/36306366.doc</a>. DAC criteria on this indicator are being updated to make them easier to use and in January the final version to be used for monitoring the indicators in 2008 will be available on this site.</p> <p>Finally please note that a separate AIDCO initiative on EU target 2, related to preparing a strategy for achieving the target, is ongoing in 46 Delegations. Through this EAMR however, we hope to capture information from all delegations. Questions 1 and 2 below seek quantitative information on technical cooperation. Section 4 seeks qualitative information from delegations not participating in the survey launched by AIDCO (46 Delegations contacted) and provides the opportunity to share your experience and views.</p>		
<b>3. Questions and definitions</b>		
1	How much technical cooperation did you disburse in 2007 (Total TC in EUR)? <i>OECD question reference in the Paris survey : Q<sup>d3</sup></i>	Euro (M) 5
2	How much technical cooperation did you disburse through co-ordinated programmes in support of capacity development in 2007 (EUR)? <i>OECD question reference in the Paris survey : Q<sup>d4</sup></i>	Euro (M) 3,774
<b>4. Definition of Indicator</b>		
3	<i>Q<sup>d4</sup> / Q<sup>d3</sup> (please calculate this and enter in the next column as %).</i>	75.48 %

<sup>1</sup> Despite the different wording the target is interpreted to correspond to Paris Declaration indicator 4. Please pay particular attention to the definition for the question Q<sup>d4</sup>.

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<b>5 Additional Information</b>	
4	<p><b>Qualitative information<sup>2</sup> :</b>            Are there any significant initiatives to promote coordinated technical cooperation in your country?            If so, please provide a short description. And indicate whether they are linked to the Code of Conduct / Division of Labour process or any other "EU initiatives"</p> <p>If not, highlight key constraints delaying joint work on TC and capacity development.</p> <p><i>(See Survey reply EC Delegation Mozambique)</i></p> <p>The health network expansion plan will integrate human resource development with the expansion of physical health service network, and its elaboration will commence as soon as the Human Resource Development Plan is finalized (March 2008).</p> <p>EC envisages to assist MINAG, within the complementary support of 3.0 M€ within the Support to Proagri Programme (9<sup>th</sup> EDF) to improve the overall capacity of MINAG.</p> <p>Please note any other comments you have on these issues</p>

<b>1. EU target 3</b>	
Avoid establishment of new project implementation units (PIUs).	
<b>2. Introduction</b>	
<p>EU target 3 aims to assess progress towards strengthening local capacity by tracking the number of PIUs put in place to manage projects and programmes. It is linked to indicator 6 of the Paris Declaration. This target is interpreted as "avoiding the establishment of new parallel PIUs"</p> <p>To avoid confusion, we strongly advise that you use the definition of parallel PIUs given in OECD guidance, by clicking on the link <a href="http://www.oecd.org/dataoecd/13/29/36306366.doc">http://www.oecd.org/dataoecd/13/29/36306366.doc</a>. DAC criteria for this indicator are being updated to make them easier to use and in January the final version to be used for monitoring the indicators in 2008 will be available on this site.</p> <p>Finally please note that a separate AIDCO initiative on EU target 2, related to preparing a strategy for achieving the target, is ongoing in 46 Delegations. Through this EAMR however, we hope to capture information from all delegations. Questions 1 and 2 below seek quantitative information on technical cooperation. Section 4 seeks qualitative information from delegations not participating in the survey launched by AIDCO (46 Delegations contacted) and provides the opportunity to share your experience and views.</p>	
<b>3. Questions and Definitions</b>	
1	<p>How many parallel project implementation units funded by EC were in operation in December 2007?  <i>OECD question reference in the Paris survey : Q<sup>d</sup>10</i></p>
2	<p>Out of these, how many <u>new</u> parallel project implementation units were established during 2007?</p>

<sup>2</sup> These questions are taken from the survey on "Developing an EuropeAid Strategy on TC and PIU" sent to delegations which are members of the Aid Effectiveness Network. **They need to be answered by delegations who are not participating in this survey.**

<b>4. Additional Information</b>		
3	<p><b>Qualitative information<sup>3</sup>:</b></p> <p><i>(See Survey reply EC Delegation Mozambique)</i></p> <p>Are there any significant initiatives to avoid the establishment of parallel PIUs in your country?</p> <p>What in your opinion should be done to increase domestic ownership and quality of project implementation arrangements?</p> <p>If so, please provide a short description. If not, highlight key constraints.</p> <p>Please note any other comments you have on these issues</p>	

<b>1. EU Target No 4</b>
Reduce the number of uncoordinated missions by 50%.
<b>2. Introduction</b>

<sup>3</sup> These questions are taken from the survey on " Developing an EuropeAid Strategy on TC and PIU" sent to delegations which are members of the Aid Effectiveness Network. **They need to be answered by delegations who are not participating in this survey.**

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The aim is to collect data on the number of uncoordinated EC Missions to your country. The information needed is (a) the total number of EC Missions to your country and (b) how many of these were coordinated.

The Paris Declaration **objectives** underlying the related indicator of progress for coordinated missions are: "In planning their missions to the field<sup>4</sup> it is important that donors: Conduct **fewer missions, coordinate timing of missions** with partner authorities and, where necessary, with other donors, *conduct more joint missions, avoid conducting missions during "mission free periods"*<sup>5</sup>.

Coordinated mission **is a mission undertaken by 2 or more donors jointly, or by one donor on behalf of another**. In practice, the following 3 questions help to clarify what is meant by a mission:

1. Does the mission involve international travel to a beneficiary country? i.e. **this concerns only missions from HQ, not missions undertaken within the country by the Delegation**.
2. Does the mission involve a request to meet with government officials, including local government?
3. Is this mission undertaken by 2 or more donors jointly? Or is it done by an HQ service also on behalf of another donor?

The Definitions and Guidance of the OECD ([www.oecd.org/dataoecd/13/29/36306366.doc](http://www.oecd.org/dataoecd/13/29/36306366.doc)) requires that missions undertaken by consultants contracted by AIDCO (or other DG's), if they meet the 3 above questions, must also be included.

### 3. Questions and definitions

OECD	ref: Q <sup>d</sup> 15	How many <b>HQ missions</b> to the field were undertaken in FY 2007? <sup>6</sup>	
	Q <sup>d</sup> 16	How many of these were coordinated?	
Please provide a breakdown of missions the Commission and its services have undertaken to your country in FY 2007 in the table below:			
Missions by:		Coordinated	Uncoordinated
Members of Commission			
AIDCO			1 Energy & Water
DEV			
RELEX			
TRADE		1 EPA negotiations	
ECHO			4
FISH			
OTHER DGs			
Consultants contracted by the Commission		1 (BS) + 2 (POL elections) + 1 Evaluation 9 <sup>th</sup> EDF	2 (ROM) 4 PALOP
<b>Total</b>		5	11

- i) EIB missions excluded.
- ii) Mission with DEV.
- iii) This indicator is part of the matrix of indicators to assess G19 partners performance, so the result is annually assessed.

<sup>4</sup> 'Field' refers to the country in general including missions to the capital only.

<sup>5</sup> The target set for 2010 for indicator 10 a) is to have 40% of donor missions to the field as joint.

<sup>6</sup> This question applies to the missions from the HQ

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iv) It excludes EP commissioned study on aid effectiveness.

4. Definition of Indicator			
<b>Q<sup>d</sup>16 / Q<sup>d</sup>15</b>	2006	2007	
Please calculate and enter in the column for 2007 and also include the figure for this indicator for 2006 ;	30% coordinated	45% coordinated	
5. Additional Information			
Delegations are invited to list the dates for main HQ missions already planned for the March 2008 to August 2008, indicating whether they are, or not, to be coordinated with other donors;			
HQ DG	Date planned	Purpose/Sector	Coordinated (Yes/No)
. Commissioner Mandelson	3-3-8	Trade	No
. DG TRADE+DEV	not known	EPA/trade	
Delegations are suggested to indicate higher priority requests for HQ missions needed from September 2008 to February 2009, but not yet agreed with HQs, that the Delegation estimates serve better the coordination arrangements at local level and can yield more added value for the policy dialogue.			
HQ DG	Date planned	Purpose/Sector	Donor(s) involved
Delegations are asked to briefly inform if there are significant initiatives to decrease the number of uncoordinated missions in your country? If so, please provide a short description. If not, highlight key constraints. ....			
Finally, Delegations are asked to assess the likelihood of meeting, by 2010, the twin targets for missions, ie. the OECD target of 40% and the EU target of halving the number of un-coordinated missions.			
- OECD target of 40% likely to be met:		Yes/No	
- EU target of halving the number of un-coordinated missions:		Yes/No	
Delegations are asked to briefly indicate what additional steps HQ should be prepared to consider to help in achieving those targets at the level of the beneficiary country concerned:			

**Other aid effectiveness related information**

On 4 July 2007 our Counsellors Louis Michel and Benita Ferrero-Waldner wrote to all Heads of Delegations requesting implementation of the Code of Conduct for Division of Labour. Several Delegations have responded and have attached their progress reports on aid effectiveness. We need information on the specific points below:

1. Paragraph 5 of the Council conclusion on Division of Labour notes:

"Simultaneously with the implementation of the Code of Conduct, the Member States and the Commission **will promote wide discussions with partner countries and other donors on complementarity and division of labour**, based on the EU code of Conduct which will be complemented by first experiences in the field. **The outcome of these discussions would constitute an input to the OECD/DAC partnership and the High Level Forum on Aid Effectiveness III that will take place in Accra, Ghana in 2008.** The Council invites the **incoming Presidencies to actively support such a process**, in close cooperation with the Member States and the Commission." (Highlights by AIDCO 01).

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### 1.1 Have the discussions with partner countries and other donors been held?

(a) **If yes**, when and what was the result? Please describe in brief how these talks are progressing.

The Code is considered as a positive step forward by the Delegation and the EU member states locally represented, who discussed it during EU cooperation meetings. However, the operationalisation of those broad commitments is a big challenge in a context of different time frame of strategies, of absence of a joint assistance strategy or EU joint programming, of the lack of government leadership in this area and of the necessity to coordinate with ongoing efforts being undertaken in other *fora* broader than the EU, in particular the CS19.

The group of the 19 cooperation agencies in programming mode during 2006 or observing for future programming period ("Country Strategy 19") was set in late 2005 to improve effectiveness and complementarity of aid, with the EC actively involved. The final report of the CS 19 of 2006 provides an overview of the new 19 bilateral strategies. It is proposed in the report that a joint steering GoM/donor group is set up to monitor issues raised and prepare new strategies. Participation of the EC in this group is recommended to improve coordination, complementarity and coherence in programming and implementation, once it is now about to be revitalised, and dialogue with GoM resumed.

Coordination with EU MS and the implementation of the EU code of conduct against a background of broad coordination and harmonisation efforts namely the PAPs structure will have to be flexible and "opportunistic", in order to select areas that can bring specific EU concerns forward and value added to the whole agenda (see: ODAMoz, in the text of the EAMR).

(b) **If no**, are there plans to hold them? If yes, please describe briefly what the plans are.

1.2 What input on division of labour is planned by the partner country towards HLF III? If none, then leave blank.

This contribution has not been discussed yet.

2 In paragraph 14 the Council invites the Commission to outline Community implementation of the Code of Conduct in its annual report on development cooperation, including: '**a self-assessment in its potential areas of comparative advantage** as referred to in the joint Development Policy Statement'. (highlights by AIDCO 01)

2.1 What action has been taken towards this self assessment of comparative advantage?

(a) If yes, please describe the process in brief and the results.

The comparative advantages of the EC have been discussed within the task force taking into account the European Consensus, and it was concluded:

- that the EC has long experience in Mozambique, with good knowledge of roads, agriculture, health and PFM,
- that the EC has regional vision and focus on regional integration,
- that the EC has the capacity to finance large projects, with through grants or loans,
- that the EC - as a multilateral - is a more neutral partner, helpful in some sensitive areas such as justice (governance).

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(b) If no, do you have any plans for initiating such a process? What are the plans?

**3** In country that have already initiated some form of division of labour:

**3.1** Please describe the process. (e.g., when did it start; partner country leadership; donors involved; results on the ground, etc).

This process started in early 2007. A task force was set up on division of labour (EC, Portugal, France - leading) and substantial work was conducted namely:

- the agreement on 10 concentration sectors;
- the decision to enlarge the discussions to the overall donor community;
- a set of tables with consolidated information on the donor strategies (amounts, focal sectors, intentions of active participation in working groups and self assessed comparative advantages).

This was widely discussed in various EU meetings at HoC's level in the course of 2007.

**3.2** As a result of this process, did the Delegation:

- Reduce or expand the sectors in which it remains active? No
- Exit from any sectors? No
- Enter any new sectors? No
- Become lead donor in any **new** sectors? No
- Enter into delegated cooperation partnerships? Probably in the sector of governance

The Delegation has initiated internal discussions on how this can affect namely participation in working groups. However, flexibility is not much due to limited human resources.

Pillars	Working groups	Donor foc. pt by 11/2007	A	ADB	B	Can	CH	D	DK	E	EC	F	Fin	I	Irl	N	NL	P	S	UK	WB	tot. G19	IMF	J	USA Aid	mcc	Un. syst.	tot.				
Develop.	<b>Devel. Partners Group (DPG)</b>	UN/WB																				X										
	aid effectiveness/Paris decl.	UN resrep																											X	UN UNDP		
GBS (G19)	<b>HOMs (heads of mission)</b>	N														X																
GBS (G19)	<b>HOCs (heads of cooperation)</b>	idem HOMs														X																
	CS 19 donor coop. strategies	no focal pt																														
	TF technical cooperation	UK																			X											
	TF working groups	F										X																				
	TF division of labour	F									X																					
GBS (G19)	<b>Economists working group</b>	idem HOMs														X								obs.	obs.	obs.	obs.					
1) Poverty and macro-econ. man pillar : Irl.	<b>Growth/macro econ. stability</b>	Can.				X																										
	<b>PAMS Poverty anal./mon. syst.</b>	B		X																										UNDP		
	<b>Public finance management</b>	Budget analysis group (BAG)	CH					X																								
		Tax reform	NL														X															
		Procurement reform	UK						X																							UNDP
		Audit	D						X																							
		SISTAFE	Fin										X																			
	B		X																													
2) Govern. pillar : SDC	<b>Governance platform</b>	UK																			X									UNDP		
	<b>Public sector reform</b>	Irl													X														UNDP			
	<b>Decentralization</b>	WB																			X									UNDP		
	<b>Municipal development</b>	UN habitat																								X				UN hab		
	<b>Justice and legality</b>	NL																			X									UNDP		
	Elections																										X			UNDP		
3) Econo. develop. pillar : N	<b>Financial sector</b>	WB																			X									UNDP		
	Microfinance (IPRM)	D						X																						UNDP		
	<b>Private sector</b>	Trade	USAID																								X				UNDP	
	<b>Agriculture (Proagri)</b>	financial/planning	S																			X									FAO/IFAD	
		agriculture services	Fin										X																X		IFAD	
		IFAD																														
	<b>Road sector</b>	ADB		X																												
	<b>Energy</b>	WB																				X										
	<b>Fisheries</b>															X																
4) Human capital pillar : Unicef	<b>Health swap group</b>	EC/WHO									X																	X		WHO		
	drugs (GTM)	N														X																
	health system	WHO																										X		WHO/unfpa		
	endemic diseases	UNICEF																										X		WHO/unicef		
	DSRH new-born child health and nutr.	UNFPA																										X		who/unfpa/unicef		
	human resources	DK						X																								
	monitoring/evaluation	UK																			X											
	investments / planification	WB																				X										
	finances and audit	CH					X																									
	gender	UNFPA																										X		Unfpa/WHO		
	calamities and urgency	WHO																										X		WHO		
	HIV aids in health	Irl														X												X				
	NGOs	Naima																														
	<b>Education</b>	NL/UNICEF																				X							X			
	basic education	Can				X																								Unicef		
	secondary education	DK						X																								
	technical and vocational training	D						X																								
higher education	WB																				X											
adult and non formal education	UNESCO																											X	Unesco			
teacher training	Can				X																							X	Unicef/Unesco			
cross cutting issues	E									X																		X	Unicef/Unesco			
culture	UNESCO																											X	Unesco			
planning/fin. managem. Fase	D						X																									
institutional developm.	UK																				X								Unicef			
<b>Water sector group</b>	UK																				X											
GAS (grupo de água e saneam.)	UNICEF																											X				
<b>Habitat</b>																																
<b>Social Protection</b>	UNICEF																											X	Unicef			
5) Cross cutting issues pillar : to be decided	<b>Gender</b>	UNFPA																										X	Unfpa			
	<b>Environment</b>	conservation areas	NL																			X								Un habitat		
			F									X																		FAO		
	<b>HIV/Aids (partners forum)</b>	common fund	Can				X																							Unaids/Unicef		
		institutional develop.	Can				X																							Unaids/Unicef		
		planning, mon/ev., res.	WB																			X								Unaids/Unicef		
		communication	UNAIDS																										X	Unaids/Unicef		
		UNICEF																											X	Unaids/iceff/pa		
	<b>Science and technology</b>																												UNDP			
	<b>Rural development</b>																															
<b>Food security</b>	WFP																											X	WFP			
<b>Disaster management team</b>	UNDP																											X	UNDP			
<b>Demining</b>	UNDP																											X	UNDP			
chairs of main WG (excluding DPG/HOMs/HOCs/EWG/TF)			0	1	1	2	1	0	0	0	1	0	0	0	1	1	3	0	1	2	3	17	0	0	1	0	0	9	27			
chairs of sub WG (excluding DPG/HOMs/HOCs/EWG/TF)			0	0	1	3	1	4	2	1	0	1	2	0	1	1	1	0	0	3	3	24	0	0	0	0	12	36				
total chairs of main/sub WG (excluding DPG/HOMs/HOCs/EWG/TF)			0	1	2	5	2	4	2	1	1	1	2	0	2	2	4	0	1	5	6	41	0	0	1	0	21	63				
total active participation (intentions of donors) in WG			3	5	2	9	6	8	8	5	9	4	4	18	12	7	8	3	9	9	15	144	0	7	8	4	20	183				
total active participation (intentions of donors) in sub WG			1	4	2	12	7	15	9	6	9	6	5	17	12	4	10	6	2	10	11	148	2	4	7	0	21	182				
total active participation (intentions of donors) in WG and sub WG			4	9	4	21	13	23	17	11</																						



## ANNEX d) 3 WORKING DOCUMENT ON SECTORS OF CONCENTRATION AND PARTICIPATION OF DONORS IN WORKING GROUPS (INFORMAL SURVEY IN 11/2007)


Sectors	A	AfDB	B	Can	CH	D	DK	E	EC	F	Fin	I	Irl	N	NL	P	S	UK	WB	total G19 (2)	Japon	USA		UN	total (2)	
																						Usaid	MCC			
Health									non focal					2009				2010		12/10					14/12	
HIV/Aids				via health	via health	non focal	via health	via health	non focal	via health		non focal			via health		non focal			3	non focal				5	
Education/culture										cult: non focal									FTI	11					12	
Agriculture/fisheries/rural development	agric.			agric. ru.dév.			agric.	2007	agric. ru.dév.					fisher.			agric.		agric. ru.dév.	10	agric.		agric.		13	
Environment/natural resources									non focal					non focal						2		non focal			3	
Transports														non focal	SP to UK				2010	5/3					7/5	
Energy							2008		energy facility											5/4					5/4	
Water and sanitation				via ru.dev.	2009				water facility	non focal				Inhamb. SP Can					2010	5/3	non focal			non focal	7/5	
Economic governance/financial services		non focal							non focal								non focal			3			non focal		6	
Governance									non focal		non focal	non focal		non focal	non focal					14					17	
General Budget Support																				19					19	
Support to civil society																				16					19	
Research/scholarships																				4					6	
Direct support to private sector		loans			grants SECO	loans DEG	grants loans		loans EIB	loans Propar.			TA to priv. sec		loans FMO		grants Niassa		loa. Sfi gu. Miga							
strategy : period	2007-2009	2006-2009	2007-2009	2004-2009	2007-2011	2007-2008	2008-2012	2008-2011	2008-2013	2006-2010	2008-2011	2008-2010	2007-2010	2006-2009	2008-2011	2007-2009	2008-2012	2008-2012	2007-2011		2009-?	2005-2010	2008-2012	2007-2009		
strategy : duration (years)	3	4	3	5	5	2	5	4	6	5	4	3	4	4	4	3	5	5	4		3 or 5	6	5	3		
budget/year (grants) in donor currency	in 2007	4 M€	59 FUA	6 M€	50 M€	25 M\$	46 M€	400MDK	25 M€	121 M€	11 M€	22 M€	33 M€	43 M€	400MKN	60 M€	15 M€	700MSK	60 M€	162 M\$		27 M\$	213 M\$	101 M\$	166 M\$	
budget/year (grants) in US dollars (1)	in 2007	5,7	89,2	8,5	45,5	25,0	65,3	70,5	35,5	171,8	15,6	26,9	46,9	61,1	66,1	85,2	21,3	100,0	116,6	162,0	1.218,7	27,0	213,0	101,0	166,0	
	in 2010	5,7	?	8,5	45,5	25,0	?	70,5	35,5	171,8	15,6	39,7	46,9	88,0	> 66,1	85,2	21,3	?	141,9	162,0	>1283,7	27,0	?	101,0	?	>1790,7
nb of staff (project managers)	4 (5 soon)	7	3	11	11	9	13	6	18	4 AFD 4 Emb.	6	10	15	10	11	5	13	11	20 (+ region.)	188	9	16	4	46	263	
nb sectors of concentration	2	4	1	4	3	3	5 (4 by 2009)	3	2	3	3	3	5	3 (2 by 2009)	3	3	4 (3 by 2012)	6 (3 by 2010)	9		6	5	3	8		
nb WG with active participation	3	5	2	9	6 + 1 pill.	8	8	5	9	4	4	18	12 + 1 pill.	7 + 1 pill.	8	3	9	9	15	144	7	8	4	20 + 1 pill.	183	
nb sub WG with active participation	1	4	2	12	7	15	9	6	9	6	5	17	12	4	10	6	2	10	11	148	4	7	0	21	180	
total nb WG/sub WG active part.	4	9	4	21	13 + 1 pill.	23	17	11	18	10	9	35	24 + 1 pill.	11 + 1 pill.	18	9	11	19	26	292	11	15	4	41 + 1 pill.	363	
number of "exit" sectors					1 water by 2008		2: ener. + 1 oth.	1 agric. by 2007						1 PS by 2007				1to deci. by 2012	3 by 2010	8					8	
number of silent partnerships													2 roads/water				1 to decide			3					3	


Legend : A : Austria - AfDB : African Development Bank - B : Belgium - Can : Canada - CH : Switzerland - D : Germany - DK : Danemark - E : Spain - EC : European Commission - F : France - Fin : Finlande - I : Italy - Irl : Ireland - N : Norway - NL : Netherland - P : Portugal - S : Sweden - UK : United Kingdom - WB : World Bank - J : Japan - USA-Usaid : United States of America/Usaid - USA/MCC : USA/Millennium Challenge Corporation - UN : United : Nations system


FTI : Fast Track Initiative (education) - GoM : Government of Mozambique - PS : private sector - SP : silent partnership - TA : technical assistance - WG : working group

(1) for conversion : refer to table on "tabela de cambios" in the Excel sheet of commitments 2008 for GBS and common funds (exchange rate of september 2007)

(2) total G19 : the numbers X/Y mean : X = total of sectors of concentration in 2007, Y = total of sectors of concentration after exit strategies

 sector of concentration

 2009 exit sector (and date)

 sector not qualified as sector of concentration (EU CoC)

## ANNEX d) 4 WORKING DOCUMENT ON DONORS STRATEGIES IN MOZAMBIQUE AT A GLANCE (INFORMAL SURVEY IN 11/2007)

donor	strategy and instruments	comparative advantage (self-assessed by the donor)	sectors of concentration exit and in sector strategies	participation in working groups intentions for the future
<b>A - Austria</b>	<ul style="list-style-type: none"> <li>- strategy 2007-2009 (3 years) discussed with GoM beginning of 2007, internal approval process ongoing, then to be signed with GoM</li> <li>- 4 M€/year, including for the 3 years : <ul style="list-style-type: none"> <li>- 1,6/1,6/1,6 M€ for GBS (objective 40 % of budget)</li> <li>- 1,4/1,9/1,9 M€ for decentralization and district/municipality development</li> <li>- 1,0/0,5/0,5 M€ for agriculture (Proagri common fund, attributed to Sofala province), geographical concentration on Sofala Province</li> </ul> </li> <li>- implementation of Austrian Development Cooperation Strategy through ADA (Austrian Development Agency)</li> <li>- 2 offices : Maputo (main) and Beira (liaison)</li> <li>- if more funds available, increase of existing components, possible delegation of funds to other sector (water)</li> </ul>	<ul style="list-style-type: none"> <li>- decentralization and work on the ground work at all levels in the province, participatory approach, multisectoral activities, urban and district planning</li> <li>- agriculture (for the same reasons as above), good knowledge of methodologies (farmer to farmer) working with smallholder farmers, conservation agriculture</li> </ul>	<ul style="list-style-type: none"> <li>- GBS (40 % of total aid, % could increase, not decrease)</li> <li>- continuation of governance via decentralization and support to districts and municipalities</li> <li>- agriculture (participation to Proagri common fund)</li> </ul>	<ul style="list-style-type: none"> <li>- intends to remain active in decentralization, municipal development and Proagri</li> <li>- could chair the decentralization or municipal development WG in 2009 or after</li> </ul>
<b>AfDB</b>	<ul style="list-style-type: none"> <li>- new strategy (CSP for Country Strategy Paper) approved by AfDB Board in April 2006 for 2006-2009 (4 years)</li> <li>- instrument : ADF (African Development Fund), very soft loans to the GoM (no interest, 0,5 % on undisbursed portion under signed loan agreement, deadline of 50 years for project based loans including 10 years of grace period). The current ADF 2005-2007 will end in 12/2007</li> <li>- total of 178 MUC/3 years (277 M\$/3 years, ie 89 M\$/year) until 2007. For 2008 and 2009, will depend on new ADF allocation</li> <li>- 2 sectors of concentration : governance, including GBS (no fixed objective of %), and infrastructures (roads, energy and water)</li> <li>- possibility of loans to private or public companies</li> </ul>	<ul style="list-style-type: none"> <li>- infrastructures in general, with a regional and african vision</li> <li>- governance because the bank is african (so good dialog with african governments)</li> </ul>	<ul style="list-style-type: none"> <li>- governance, including GBS (40 M\$ in 2006, 30 M\$ in 2007, 30 M\$ in 2008)</li> <li>- roads</li> <li>- energy</li> <li>- water</li> <li>- ready to be lead partner for silent partners</li> </ul>	<ul style="list-style-type: none"> <li>- intends to remain active in roads (current focal point) and water</li> <li>- intends to be active in energy, governance (public sector reform and justice) and PFM (when the new economist is appointed)</li> <li>- intends to be less present in the future in education and in agriculture as these sectors are not sectors of concentration in the new strategy</li> </ul>
<b>B - Belgium</b>	<ul style="list-style-type: none"> <li>- 3 year programme 2006-2008 signed in 05/2006, budget of 18 M€ for the 3 years (6 M€/year) : <ul style="list-style-type: none"> <li>- 9,0 M€ (3 M€/year) : GBS</li> <li>- 3,0 M€ (1 M€/year) : Sistafe common fund</li> <li>- 3,0 M€ (1 M€/year) : tax reform (ATM common fund)</li> <li>- 1,5 M€ : capacity building</li> <li>- 1,2 M€ (0,4 M€/year) : scholarships</li> <li>- 0,3 M€ : micro-intervention programmes</li> </ul> </li> <li>- Survival belgium fund, in addition to bilateral programme, 5/6 M€/year, financed by the belgium lottery and implemented by multilateral organizations (FAO, IFAD) or NGOs. Supports food security and capacity to reduce food scarcity</li> <li>- direct support to NGOs</li> <li>- out of the new strategy, remaining balance of 7,2 M€ for PRPE (Programa de Reabilitação Pós-Emergência)</li> </ul>	<ul style="list-style-type: none"> <li>- governance and public finance management (tax reform, Sistafe, etc ..)</li> </ul>	<ul style="list-style-type: none"> <li>- GBS</li> <li>- governance (tax reform, Sistafe)</li> <li>- food security</li> </ul>	<ul style="list-style-type: none"> <li>- intends to remain active in PAMs, Sistafe and tax reform</li> <li>- currently chairing PAMs and Sistafe</li> <li>- possible involvement in food security WG</li> </ul>
<b>Can. - Canada</b>	<ul style="list-style-type: none"> <li>- CDPF (Country Development Programming Framework) for 2004 - 2009 (5 years) agreed in 2004, assessment of progress so far on going</li> <li>- aid managed by CIDA</li> <li>- budget of 50 MC\$/year (45,5 M\$/year), with 4 areas : <ul style="list-style-type: none"> <li>- education (50 % of total aid, intention to move most fundings into Fase)</li> <li>- health (Prosaude, CNCS, HIV aids responsive fund, support to health training center)</li> <li>- agriculture/rural devel. (Proagri, rural water, community-based projects)</li> <li>- governance (including GBS)</li> </ul> </li> <li>- GBS agreed after CDPF approval, GBS tripled from 2006 to 2008, currently no fixed objective of %</li> <li>- GBS/total aid to GoM (estimation of 17% of GoM aid in 2008)</li> <li>- intentional balanced approach of a mix of aid modalities</li> <li>- cross cutting issues : gender, environment and HIV aids</li> </ul>	<ul style="list-style-type: none"> <li>- education : long history, reputation for delivering results with the GoM (example of text books)</li> <li>- governance and public sector reform : similarities of the systems</li> <li>- demonstrated capacity to support innovative approaches inside GoM systems</li> <li>- gender : global reputation</li> </ul>	<ul style="list-style-type: none"> <li>- education</li> <li>- health (including HIV aids)</li> <li>- agriculture and rural development</li> <li>- governance (including GBS)</li> <li>- no intention of exit sector at this point (next CDPF will provide directions)</li> </ul>	<ul style="list-style-type: none"> <li>- intends to remain active in education, health, HIV aids (currently chair of the HIV aids partners forum), agriculture, water and PFM (currently chair of the growth and macroeconomic stability WG)</li> <li>- intends to chair agriculture WG in 2008</li> <li>- intends to be more active in public sector reform WG</li> <li>- agreement on representing Irish Cooperation as silent partner in the water sector in Inhambane province</li> </ul>
<b>CH - Switzerland</b>	<ul style="list-style-type: none"> <li>- SDC (Min. of foreign affairs) in charge of health and governance, SECO (Min. finances) in charge of GBS and support to economy</li> <li>- new strategy 2007-2011 under preparation, to be approved before end 2007</li> <li>- 5 years programme, 25 M\$/year, 13,5 from SDC and 11,5 from SECO : <ul style="list-style-type: none"> <li>- GBS (no fixed objective of %)</li> <li>- 3 sectors of concentration : support to the economy, health and local governance/decentralization</li> <li>- 2 cross cutting issues : gender and HIV aids</li> </ul> </li> <li>- 3 objectives in PAP context : above average performance rating, more than half of the staff with active/leadership positions in G19 WG, reinforcement of the underlying principles of the GBS MoU</li> </ul>	<ul style="list-style-type: none"> <li>- governance, specially on decentralization</li> <li>- public finance management</li> <li>- health : long experience in Moz.</li> </ul>	<ul style="list-style-type: none"> <li>- support to the economy : GBS, capacity building in PFM and increase of revenues, participation in the common fund of AT (Autoridade Tributaria)</li> <li>- health : common funds and community based projects (project under preparation with WB in northern provinces)</li> <li>- local governance and decentralization : support to municipalities, districts and civil society</li> <li>- exit strategy in water in 2009 (though after a long involvement in this sector), will be addressed via local</li> </ul>	<ul style="list-style-type: none"> <li>- intends to remain active in PFM (tax reform, audit, currently coordinates the economist sub WG), governance (decentralization and municipal development, currently responsible of the governance pillar) and health</li> <li>- exit strategy in water in 2009</li> <li>- objective that more than half of the staff have active and/or leadership positions in G19 WG</li> </ul>

## ANNEX d) 4 WORKING DOCUMENT ON DONORS STRATEGIES IN MOZAMBIQUE AT A GLANCE (INFORMAL SURVEY IN 11/2007)

donor	strategy and instruments	comparative advantage (self-assessed by the donor)	sectors of concentration exit and in sector strategies	participation in working groups intentions for the future
<b>D - Germany</b>	<ul style="list-style-type: none"> <li>- bilateral negotiations in 02/2007 with GoM for 2007 and 2008 (next negotiations in early 2009), consultations in 2008</li> <li>- Strategies: <ul style="list-style-type: none"> <li>- country strategy for 2007-early 2009 (2 years), approved with GoM in 02/2007</li> <li>- education (strategy paper in force in 02/2007)</li> <li>- sustainable economic development (strategy paper in force in 08/2007)</li> <li>- decentralization for rural development (draft strategy paper early 2008)</li> </ul> </li> <li>- 2 types of cooperations : financial (KfW) and technical (GTZ, DED, CIM and InWEnt)</li> <li>- amount of 92,5 M€ for 2007 and 2008 : GBS (30 M€), education (32.5 M€), sustainable economic development (13.0 M€), decentralization (6.5 M€), others (10.5 M€)</li> <li>- 3 focal provinces : Inhambane, Sofala and Manica</li> <li>- cross cutting issues : HIV aids, gender (covered by HIV aids), disaster, environment</li> <li>- other actors : political foundations, NGOs and church organizations</li> </ul>	<ul style="list-style-type: none"> <li>- education : long experience on the field</li> <li>- vocational training, linked to German dual system</li> <li>- decentralization, linked to German federal system (experience of subsidiarity and presence on the field)</li> <li>- can combine mix of aid modalities : technical cooperation, various modalities of financial cooperation (credit lines for SME for exemple)</li> </ul>	<ul style="list-style-type: none"> <li>- GBS (30 M€)</li> <li>- education (basic education and vocational training)</li> <li>- sustainable economic development (financial sector, private sector)</li> <li>- decentralisation (focus on the 3 provinces of Inhambane, Sofala and Manica)</li> </ul>	<ul style="list-style-type: none"> <li>- intends to remain active in PFM, governance, financial sector (currently co-chair), private sector, education, HIV aids and environment</li> <li>- intends to be active in gender WG</li> <li>- could chair education in 2009</li> <li>- intends to chair permanently 3 or 4 WG or sub WGs</li> </ul>
<b>DK - Danemark</b>	<ul style="list-style-type: none"> <li>- last strategy covered 2000-2004. DK hoped for a joint assistance strategy in Moz. as a result of CS 19. No longer seems feasible</li> <li>- new five-year strategy covering 2008-2012 (5 years) to be prepared early 2008, based among others on outcome of evaluation of danish cooperation 1992-2006 with Moz.</li> <li>- estimated annual disbursements 400 MDK/year (about 70,5 M\$)</li> <li>- focus : GBS (approximately 20 % of aid)</li> <li>- objective to increase sector budget support</li> <li>- direct support to civil society</li> </ul>	<ul style="list-style-type: none"> <li>- institution building, decentralization, social sectors and agriculture : long-standing involvement, scandinavian model strenghts</li> <li>- environment : top priority, early involvement in developing world</li> </ul>	<ul style="list-style-type: none"> <li>- GBS (20 % of total aid)</li> <li>- agriculture, health (including HIV/Aids), education</li> <li>- governance (justice, Sistafe, public sector reform)</li> <li>- environment (DK directly finances MICOA)</li> <li>- private sector (loans, grants, programme under preparation)</li> <li>- exit sectors : in 2008, energy and another one to be decided</li> </ul>	<ul style="list-style-type: none"> <li>- intends to remain active in governance, Sistafe, agriculture, health, education, environment and HIV Aids</li> <li>- will exit from energy and PAMs WG</li> <li>- will exit from 8 sub WG and enter in 2 sub WG (tot. - 6)</li> <li>- will exit from the WG of the 2nd exit sector to be decided</li> <li>- could chair soon WG on public sector reform,</li> </ul>
<b>E - Spain</b>	<ul style="list-style-type: none"> <li>- new strategy for 07/2008 - 06/2011 (4 years) will be prepared starting from beginning of 2008 (discussions with GoM and PAPs), to be approved in 06 or 07/2008. This strategy will include the objectives of the spanish regions cooperation (but the 6 acting regions have their own strategy agreement with GoM)</li> <li>- 2 documents : one strategic and other operational (this to be signed between both Spain and GoM)</li> <li>- new strategy could be : 25 M€/year from AECE during the 4 years strategy : <ul style="list-style-type: none"> <li>- 5-8 M€ for GBS (objective to increase from 20 % to 30 % in 2011)</li> <li>- 3-5 M€ for health</li> <li>- 2-5 M€ for education</li> </ul> </li> <li>- objective to increase programme aid (objective of 60-65 % of AECE investment in 2011)</li> <li>- large amount of the strategy implemented by spanish NGOs in health, education and rural development</li> <li>- focus on Cabo Delgado province</li> </ul>	<ul style="list-style-type: none"> <li>- health and education : long experience in Moz., good knowledge of sector/actors, work at district level with spanish NGOs programmes</li> <li>- justice area : expertise (on going identification of a 4 year programme)</li> </ul>	<ul style="list-style-type: none"> <li>- GBS (objective to increase from 5 to 8 M€ at the end of the strategy)</li> <li>- health</li> <li>- education</li> <li>- (with a focus on Cabo Delgado province)</li> <li>- governance, mainly justice and municipalities</li> <li>- exit sector in 2007 : agriculture and rural development</li> <li>- these sectors of concentration to be confirmed in the strategy document to be approved in 06 or 07/2008</li> </ul>	<ul style="list-style-type: none"> <li>- intends to remain active in health, education, PFM (BAG), justice and municipal development</li> <li>- intends to be active in gender WG</li> <li>- the issue of chairing WG or sub WG will depend on profile of new staff who will join the team in 2008</li> </ul>
<b>EC - European Commission</b>	<ul style="list-style-type: none"> <li>- new 10th EDF for 2008-2013 (6 years), will start effectively in 2009</li> <li>- CSP (Country Strategy Paper) of the 10th EDF and NIP (National Indicative Programme) to be approved in 12/2007 by EDF Committee and to be signed before end 2007</li> <li>- with 25 % of incentive tranche (max. was 30 %) decided upon governance profile, amount of 10th EDF is 603 M € + 19 M€ Palop contribution = 622 M€ : <ul style="list-style-type: none"> <li>- GBS (46-50 %)</li> <li>- agriculture and rural development (12-15 %)</li> <li>- transport infrastructures (21 %)</li> <li>- non focal sector (17 %) : health (8 %), good governance and justice (6 %), PALOPs (3 %), trade and EPAs, technical cooperation</li> </ul> </li> <li>- emphasis on regional integration (mainly in agriculture and transports)</li> <li>- other financial instruments : EIB (loans to public and private companies), budget lines, support to civil societ</li> </ul>	<ul style="list-style-type: none"> <li>- roads, agriculture, health and PFM : good and long experience</li> <li>- regional vision and focus on regional integration</li> <li>- capacity to finance large projects, with grants or loans (EIB)</li> <li>- neutral parter, helpful in some areas (justice for exemple)</li> </ul>	<ul style="list-style-type: none"> <li>- GBS (46-50 %)</li> <li>- agriculture and rural development</li> <li>- transport infrastructures</li> <li>- non focal sectors : health and governance (including economic governance)</li> <li>- cross cutting issue : environment</li> <li>- EU facilities in water and energy</li> <li>- focus on regional integration</li> </ul>	<ul style="list-style-type: none"> <li>- intends to remain active in Proagri, health, roads, justice, private sector (and trade), environment, HIV aids and PFM</li> <li>- does not intend to be active in energy and water WG even if EC finances water and energy facilities</li> <li>- intends to be active in food security WG</li> </ul>
<b>F - France</b>	<ul style="list-style-type: none"> <li>- new strategy signed in 07/2006 for 2006-2010 (5 years)</li> <li>- two operators : Embassy (governance, culture) and AFD (social and economic sectors)</li> <li>- estimation of 55 M€ of grants for the 5 years, with GBS and 2 sectors of concentration : <ul style="list-style-type: none"> <li>- GBS (20-25 %)</li> <li>- health (35 %)</li> <li>- environment/protection of biodiversity (25 %)</li> </ul> </li> <li>- non focal sectors : water, governance, culture and research</li> <li>- possibilities of loans by AFD to public and private companies (market conditions loans, soft loans, guarantees)</li> <li>- possibility in 2008 onwards of AFD soft loans to GoM</li> </ul>	<ul style="list-style-type: none"> <li>- environment/protection of biodiversity (experience, french GEF)</li> <li>- large range of financial instruments by AFD to finance public and private companies</li> <li>- governance (institutional experience, similarities with french administration system)</li> <li>- culture : international network, CCFM</li> </ul>	<ul style="list-style-type: none"> <li>- GBS (20-25 %)</li> <li>- health</li> <li>- environment/natural resources management</li> <li>- governance</li> <li>- non focal sector : water and culture</li> <li>- possibility of loans and guarantees in the transports and energy sectors to public and private companies</li> </ul>	<ul style="list-style-type: none"> <li>- intends to remain active in health and environment</li> <li>- intends to be active in energy, PFM, financial sector and culture</li> <li>- intends to chair permanently one WG or sub WG</li> <li>- intends to remain active in the aid effectiveness task forces (WG, division of labour, ..)</li> </ul>

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donor	strategy and instruments	comparative advantage (self-assessed by the donor)	sectors of concentration exit and in sector strategies	participation in working groups intentions for the future
<b>Fin - Finland</b>	<ul style="list-style-type: none"> <li>- no strategy document currently, Fin hoped for a joint assistance strategy in Moz</li> <li>- new strategy 2008-2011 (4 years) to be prepared before end 2008, with GBS and 3 sectors:               <ul style="list-style-type: none"> <li>- GBS (no fixed objective, around 25% currently, intention to increase)</li> <li>- rural development (intention of more additional funds to forestry)</li> <li>- health</li> <li>- education</li> </ul> </li> <li>- 21,5 M€ in 2007, objective of around 30 M€ by 2011 (out of support to Finnish NGOs)</li> <li>- nearly all sectoral funds allocated to common funds (Proagri, Prosaude, Fase)</li> <li>- management of aid by Ministry for Foreign Affairs in HQ and at the Embassy (no delegated authority)</li> </ul>	<ul style="list-style-type: none"> <li>- education : experience, international reputation, focus on vulnerable groups</li> <li>- agriculture : good knowledge of public finance in agriculture, specific attention to forests due to long Finnish experience in forestry</li> </ul>	<ul style="list-style-type: none"> <li>- GBS (currently 25%, intention to increase)</li> <li>- rural development (with an additional specific focus on forestry in the future)</li> <li>- health</li> <li>- education</li> </ul>	<ul style="list-style-type: none"> <li>- intends to remain active in PAMs, PFM (procurement and audit), agriculture, health and education WGs</li> <li>- intends to be active in agriculture and health sub WGs</li> </ul>
<b>I - Italy</b>	<ul style="list-style-type: none"> <li>- new strategy 2008-2010 (3 years) discussed with GoM, expected to be signed with GoM before end of 2007 (new strategy not official until is signed). Total amount of 100 M€ for the 3 years :               <ul style="list-style-type: none"> <li>- 26 % health</li> <li>- 20 % agriculture/rural development</li> <li>- 16 % education</li> <li>- 13 % GBS</li> <li>- 25 % cross cutting actions (governance, social protection, gender, HIV/AIDS, environment, transports)</li> </ul> </li> <li>- GBS (13 % currently) and budget sector aid : since the participation of Italy to GBS is in a pilot phase, the greater part of aid will currently not be channeled through GBS/SBS/Common Funds.</li> <li>- possibility of soft loans to GoM (60 M€ recently approved for Nhancangara dam and drainage/sanitation in Maputo)</li> <li>- other instruments : support to NGOs and decentralized cooperation</li> </ul>	<ul style="list-style-type: none"> <li>- health, education and agriculture : long experience/presence in Moz., trust of GoM, technical expertise, knowledge of sectors/actors, efficient working methodology</li> </ul>	<ul style="list-style-type: none"> <li>- health</li> <li>- agriculture and rural development</li> <li>- education</li> <li>- GBS (13 %)</li> <li>- non focal sectors : governance, social protection/gender, HIV/AIDS, environment, transports</li> </ul>	<ul style="list-style-type: none"> <li>- intends to remain active in PFM (currently co-chair of growth WG), governance (currently co-chair of justice WG), health, agriculture, education, gender, environment and private sector development (focus on agriculture)</li> <li>- intends to be active in roads, energy, water and HIV aids WG</li> <li>- wide spectrum of participation in WG due to objective of sending first-hand view to HQ as Moz. is the only GBS experience throughout the world</li> <li>- reassessment of participation in WG will be done after JR 2008</li> <li>- wishes that all areas remain covered by WG, even those where dialogue with GoM is difficult (and Italy ready to take its share)</li> <li>- 5 staff fully dedicated to participate in WG. Available</li> </ul>
<b>Irl. - Ireland</b>	<ul style="list-style-type: none"> <li>- strategy 2007-2010 (4 years) approved in 09/2007</li> <li>- total of 207,8 M€ for the 4 years, with a continuous scaling up (43/48/55/62) making a 44 % increase by 2010 compared to 2007</li> <li>- these amounts include delegated funds for Clinton Foundation paid to Prosaude (12 M€/year = 48 M€)</li> <li>- objective (including Clinton Foundation) of budget support of 21 % (stable during the 4 years), and of participation to common funds of 58 % (ie 79 % of general and sector budget support), rest individual grants (to civil society and provinces)</li> <li>- 4 objectives : pro-poor targeting of services, increased accountability of the public service to citizens (especially the poor), capacity strengthening of Govt and civil society, improving aid effectiveness</li> <li>- 3 pillars supported :               <ul style="list-style-type: none"> <li>- governance : public sector reform, decentralization, media, civil society</li> <li>- human capital : education, HIV/Aids, health (including funds for Clinton Foundation)</li> <li>- economic development : agriculture, support to the private sector, demining</li> </ul> </li> <li>- provincial programmes (6 M€ in 2007, 7,5 M€ in 2010) : 2 provinces, Niassa and Inhambane</li> <li>- lot of autonomy of Embassy in aid management</li> <li>- HQ policy supportive of on-system and on budget approach</li> </ul>	<ul style="list-style-type: none"> <li>- decentralized approach : provincial programmes, with multisectoral finance, work on the ground and staff resident on site</li> <li>- high number of staffing per euro of aid, with a strong national adviser group</li> </ul>	<ul style="list-style-type: none"> <li>- GBS : objective of 21% during the 4 years (including Clinton Foundation contribution)</li> <li>- health + HIV/Aids</li> <li>- education</li> <li>- agriculture</li> <li>- governance</li> <li>- private sector development via other sectors</li> <li>- silent partnership to UK in roads and to Canada in water</li> <li>- joint partnership with UK for support to governance-oriented civil society organizations</li> </ul>	<ul style="list-style-type: none"> <li>- will chair G19 in 2008-2009</li> <li>- intends to remain active in PAMs, PFM, governance (currently chairing the public sector reform WG), agriculture, health, education, gender, environment and HIV/Aids WG</li> <li>- intends to be active in demining WG</li> <li>- no intention of chairing new WG in the short term as Ireland will chair G19</li> <li>- high number of staff, can be active in all WG and sub WG where Ireland is intervening, would however be prepared to rationalize group participation</li> </ul>
<b>N - Norway</b>	<ul style="list-style-type: none"> <li>- MoU for 2006-2009 (4 years) signed in 02/2006. Normally MoU for 3 years, but 4 years for Moz. to end with PARPA 2</li> <li>- minimum of 330 MNK/year (about 42 M€), in fact 403 MNK in 2007 and 425 MNK planned in 2008</li> <li>- allocation of funds for GBS (30-35%) and 3 sectors : energy, fisheries and health (health for 2006-2008, not in 2009)</li> <li>- no fixed objective in the MoU for GBS and for budget sector aid</li> <li>- non focal sectors : governance, environment and gender</li> <li>- annual plan, large autonomy of Embassy</li> <li>- two structures to manage ODA : norwegian Embassy (including local NGOs and NORAD (technical advice to Embassies and ministry of foreign affairs on all areas and sectors, and management of funds for norwegian and international NGOs)</li> </ul>	<ul style="list-style-type: none"> <li>- fisheries and energy : technical and institutional advantages, involvement of norwegian professionals from ministries, institutes (petroleum for exemple) and other entities</li> <li>- governance : historical and institutional experience</li> </ul>	<ul style="list-style-type: none"> <li>- GBS (30-35 % of total aid, no fixed objective)</li> <li>- energy, including the petroleum sub-sector and the hydropower sub-sector (for some energy projects, delegation from Norway to Sweden)</li> <li>- fisheries</li> <li>- non focal sectors : governance and environment</li> <li>- exit sector : health in 2009</li> </ul>	<ul style="list-style-type: none"> <li>- intends to remain active in energy, health (until exit strategy), private sector, decentralization and PFM (audit and Sistafe)</li> <li>- chairs the new fisheries WG</li> <li>- intends to be active in gender and environment WG</li> <li>- currently chair of the G19</li> </ul>

## ANNEX d) 4 WORKING DOCUMENT ON DONORS STRATEGIES IN MOZAMBIQUE AT A GLANCE (INFORMAL SURVEY IN 11/2007)

donor	strategy and instruments	comparative advantage (self-assessed by the donor)	sectors of concentration exit and in sector strategies	participation in working groups intentions for the future
<b>NL - Netherlands</b>	<ul style="list-style-type: none"> <li>- new strategy 2008-2011 (4 years) under preparation : consultations with GoM before end 2007 (not yet started)</li> <li>- objective of 3 sectors of concentration : one with NL lead, one with NL collaborative and one sector with NL silent partner</li> <li>- two modalities to manage aid : <ul style="list-style-type: none"> <li>- delegated budget to NL Embassy, with complete delegation</li> <li>- non delegated budget through ORET (with a part of tied aid) or for regional cooperation</li> </ul> </li> <li>- amount of 60-65 M€/year during the 4 years 2008-2011 (stable during the 4 years), with GBS (40 %) and programme aid (GBS and common funds at 75 %). 2 sectors (could be health and water) and one silent sector (could be education)</li> <li>- 3 themes : domestic accountability (countervailing power, services delivery), growth and equity (access to land, capital, markets and knowledge) and social protection (cash transfer schemes, violence against children and women)</li> <li>- strong supporter of alignment and of European Code of Conduct</li> </ul>	<ul style="list-style-type: none"> <li>- water (experience internationally known)</li> <li>- PFM</li> <li>- flexibility because of delegation of budget to the local Embassy</li> </ul>	<ul style="list-style-type: none"> <li>- GBS (objective of 40 %)</li> <li>- health</li> <li>- water</li> <li>- education</li> </ul>	<ul style="list-style-type: none"> <li>- intends to remain active in water and health WG</li> <li>- intends to be active in the WG related to accountability (governance, PFM, gender), growth and social protection</li> <li>- currently chair of education, intends to become silent partner in education after the end of the chair</li> <li>- intends to chair health, but at least for 2 years</li> </ul>
<b>P - Portugal</b>	<ul style="list-style-type: none"> <li>- new strategy approved for 2007-2009, 3 years, total of 45 M€, 15 M€/year : <ul style="list-style-type: none"> <li>- 60 % for sustainable development and fight against poverty (education, culture and social and community development)</li> <li>- 30 % for governance (including GBS)</li> <li>- 10 % for cluster Ilha de Mozambique</li> </ul> </li> <li>- GBS included in governance, 10 % now (1,5 M€/year), objective of 30 % at the end of the programme (4,5 M€/year)</li> </ul>	<ul style="list-style-type: none"> <li>- governance (police, justice, capacity building in many sectors as Mozambique has the same regulations than Portugal)</li> <li>- education, training and culture</li> </ul>	<ul style="list-style-type: none"> <li>- GBS (objective of 30 % in 2009)</li> <li>- governance</li> <li>- education (including scholarships) and culture</li> <li>- social and community development (NGOs, associations, ..)</li> <li>- cluster (integrated project) in Ilha de Mozambique, including Millenium Village with UNDP</li> </ul>	<ul style="list-style-type: none"> <li>- intends to remain active in education, justice, PFM (BAG) and private sector</li> <li>- could chair an education sub WG in the coming years (culture)</li> <li>- intends to participate more actively on the private sector WG (will depend on new staff to be allocated), with a specific interest for the trade sub WG</li> </ul>
<b>S - Sweden</b>	<ul style="list-style-type: none"> <li>- new cooperation strategy 2008-2012 (5 years) under preparation, will be discussed with GoM early 2008 and new cooperation agreement will be signed after approval,</li> <li>- 700 MSK/year (about 100 M\$/year), gradual increase could be proposed for the 5 year period</li> <li>- objective 2012 : 60 % of total aid in GBS (currently 50 %), aim at programme approach for the rest, strategy includes direct support to NGOs (about 16 M\$/year) and private sector</li> <li>- aid managed by SIDA through the Embassy (full delegation of new decisions under 8 M\$, then full delegation for management)</li> <li>- in addition to the strategy : research (8 M\$/year), humanitarian assistance, support through Swedish NGOs</li> </ul>	<ul style="list-style-type: none"> <li>- governance (due to swedish administrative system : transparency, decentralization, involvement of civil society)</li> <li>- energy (expertise and experience in Sweden)</li> <li>- agriculture : long experience</li> <li>- research : long experience (programme)</li> </ul>	<ul style="list-style-type: none"> <li>- GBS (objective of 60 % in 2012)</li> <li>- governance : support to TA/IGF, could exit from public sector reform, Sistafe and statistics</li> <li>- agriculture</li> <li>- infrastructures : roads and energy</li> <li>- could exit from one of these sectors by 2012</li> <li>- non focal sectors : private sector and civil society</li> </ul>	<ul style="list-style-type: none"> <li>- intends to remain active in Proagri, energy, HIV aids, governance (decentralization) and macro-eco (audit, Sistafe, public sector reform)</li> <li>- intends to be active in gender (next chair ?)</li> </ul>
<b>UK - United Kingdom</b>	<ul style="list-style-type: none"> <li>- new strategy 2008-2012 in preparation, with a participatory process (will be approved early 2007)</li> <li>- 342 M€ for 5 years with regular increase (60/63/66/70/73, to be confirmed)</li> <li>- objective of 75 % of aid via GBS by 2010, and of 100 % of aid on budget by 2008</li> <li>- strategy : more equitable access to higher quality service delivery, response to HIV/Aids, emphasis on accountability and effectiveness of the basic state functions, work on aid effectiveness agenda</li> <li>- direct support to civil society</li> </ul>	<ul style="list-style-type: none"> <li>- GBS (long experience, core of DFID strategy)</li> <li>- public sector reform/PFM</li> <li>- basic services, with long term predictability</li> </ul>	<ul style="list-style-type: none"> <li>- GBS (objective of 75 % by 2010)</li> <li>- governance, education and HIV Aids</li> <li>- exit strategy by 2010 from roads and water (because AfDB more involved)</li> <li>- exit strategy by 2010 from health if criterias OK</li> <li>- exit strategy from business services and financial sector</li> <li>- joint partnership with Ireland for support to</li> </ul>	<ul style="list-style-type: none"> <li>- intends to remain active in governance (public sector reform, currently chair of the governance platform), education, PFM, PAMs</li> <li>- exit from roads and water WG by 2010</li> <li>- exit from health WG (if criterias OK) by 2010</li> <li>- exit from financial sector WG</li> <li>- represents Global Fund, represents Ireland in roads</li> <li>- Ireland represents UK in Proagri</li> </ul>
<b>WB - World Bank</b>	<ul style="list-style-type: none"> <li>- country partnership strategy 07/2007 - 06/2011 (4 years) approved by WB Board in 05/2007 after a participatory preparation. Integrated approach</li> <li>- IDA : estimation of 650 M\$/4 years (average of 162,5 M\$/year) and, in addition, 45 M\$ for regional projects</li> <li>- 3 IDA pillars in Moz. : <ul style="list-style-type: none"> <li>- increased accountability and public voice : governance, decentralization, PFM, justice</li> <li>- equitable access to key services : health, HIV aids, education, water, energy</li> <li>- sustainable and broad-based growth : energy, water, investment climate, ICT, etc ..</li> </ul> </li> <li>- IDA instruments : ii) very soft loans to GoM for development policy lending (quick disbursing) or for investment operations (regular projects), ii) non lending activities (grants)</li> <li>- other instruments : IFC (loans to private sector and grants for technical assistance, Miga (guarantee scheme for political risk insurance), WBI (World Bank Institute) for training and knowledge exchange</li> <li>- NGOs can get funds for service delivery in projects (no WB support to NGOs for advocacy)</li> </ul>	<ul style="list-style-type: none"> <li>- large infrastructures projects and construction in social sectors : capacity to support the preparation and to finance</li> <li>- large institution building support (institutional reforms)</li> <li>- non lending activities (studies, analytic works, PFM, etc ..), macroeconomic monitoring (jointly with IMF)</li> <li>- financial power</li> </ul>	<ul style="list-style-type: none"> <li>- GBS : 70 M\$/year (43 % of average of total annual commitments)</li> <li>- health and HIV aids</li> <li>- education</li> <li>- infrastructures : roads, railways, energy, water, telecommunications</li> <li>- agriculture and rural development</li> <li>- support to private sector development and finance</li> <li>- governance : municipal development, decentralized planning, PFM, public sector reform</li> </ul>	<ul style="list-style-type: none"> <li>- intends to remain active in PFM, governance (currently chairing the decentralization WG), financial sector (currently chairing), roads, water, energy (currently chairing), health, education (currently co-chairing primary education), HIV/Aids, agriculture and in science &amp; technology</li> <li>- intends to chair, after UK, the water WG (to be confirmed and if the WG agrees)</li> </ul>
<b>J - Japan</b>	<ul style="list-style-type: none"> <li>- country strategy paper will be prepared in 2009, for 3 or 5 years (will not be signed for more flexibility)</li> <li>- 2 instruments : JICA (grants and technical cooperation, including volunteers) and JBIC (very soft loans to GoM), intention of having JBIC active in Moz. in 2008 onwards</li> <li>- estimation of annual budget of 27M\$ approximately</li> <li>- main focus area : economic development, with specific focus on rural development, economic infrastructures and education (secondary school, vocational training)</li> <li>- complementary focus area : human capital (basic health, basic education and rural water supply)</li> <li>- other area : governance (capacity building and institutional development, PFM, public sector reform,</li> </ul>	<ul style="list-style-type: none"> <li>- agriculture and economic growth in general : experience of economic oriented activities</li> <li>- secondary education (especially science and maths) and vocational training : long experience</li> </ul>	<ul style="list-style-type: none"> <li>- agriculture, focus on economic oriented activities</li> <li>- roads infrastructures</li> <li>- secondary education and vocational training</li> <li>- basic education, basic health</li> <li>- governance</li> <li>- non focal sectors : rural water supply and HIV aids</li> </ul>	<ul style="list-style-type: none"> <li>- intends to remain active in PAMs, aid effectiveness/Paris declaration, health and education WG</li> <li>- intends to be active in public sector reform, private sector, agriculture and roads WG</li> <li>- could chair a WG or sub WG in the future, to be discussed</li> </ul>

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donor	strategy and instruments	comparative advantage (self-assessed by the donor)	sectors of concentration exit and in sector strategies	participation in working groups intentions for the future
<b>UN - United Nations</b>	<ul style="list-style-type: none"> <li>- UNDAF (UN development assistance framework) for 2007-2009 (3 years)</li> <li>- 500 M\$ for the 3 years</li> <li>- "one UN" reform under implementation : one programme, one budgetary framework, one leader (with one steering committee), one office and one communication</li> <li>- 4 sectors of intervention : governance, human capital, HIV aids, economic development</li> <li>- 11 joint programmes have been decided</li> <li>- 9 agencies based in Moz - 12 agencies based in the region (and not in Moz.)</li> </ul>	<ul style="list-style-type: none"> <li>- governance in general : institutional support and capacity building, decentralization and local governance, gender, civil society empowerment, poverty analysis and MDGs (needs assessment and costing)</li> </ul>	<ul style="list-style-type: none"> <li>- governance in general</li> <li>- health and HIV aids</li> <li>- education</li> <li>- agriculture and rural development</li> <li>- support to economic activities and financial services</li> </ul>	<ul style="list-style-type: none"> <li>- intends to remain active in a lot of WG and sub WG as UN system has the staff to work in quasi all WG (exception : roads and energy), currently chairing 23 WG and sub WG</li> <li>- agreement to increase active participation of UN staff in WG</li> </ul>
<b>USA - United States of America</b>	<p><b>USAID :</b></p> <ul style="list-style-type: none"> <li>- internal strategic document 2005-2010 (6 years), but has to be updated</li> <li>- high increase of USAID budgets with the President's programmes PEPFAR (HIV aids) and PMI (malaria)</li> <li>- budget of 89 M\$ in 2005, 123 M\$ in 2006, 213 M\$ in 2007, 281 M\$ in 2008</li> <li>- 66 % of PEPFAR managed by USAID, 32 % by CDC (Center for Disease Control), 2 % by others</li> <li>- 5 objectives : <ul style="list-style-type: none"> <li>- investing in people : health in provinces, PMI (malaria), PEPFAR (HIV aids)</li> <li>- economic growth (rural income, trade and investment, tourism)</li> <li>- governing justly and democratically (support to 5 municipalities)</li> <li>- peace and security (training, demining, border security)</li> <li>- humanitarian assistance</li> </ul> </li> </ul>	<p><b>USAID :</b></p> <ul style="list-style-type: none"> <li>- support to private sector, business environment, agriculture and rural development : long experience</li> <li>- health : important funds available, long experience</li> <li>- governance : support to municipalities, focus on accountability, responsiveness, transparency, fight against corruption</li> </ul>	<p><b>USAID :</b></p> <ul style="list-style-type: none"> <li>- health : HIV aids (PEPFAR), malaria (PMI) and programme in 4 provinces (Nampula, Zambezia, Gaza, Maputo),</li> <li>- private sector development (mainly in rural areas), trade and investment</li> <li>- rural development</li> <li>- governance (including decentralization)</li> <li>- non focal sector : environment</li> </ul>	<p><b>USAID :</b></p> <ul style="list-style-type: none"> <li>- intends to remain active in private sector (currently chairing), municipal development, health and HIV aids WG</li> <li>- intends to be active in agriculture, gender, food security and disaster management WG</li> </ul>
	<p><b>MCC (Millenium Challenge Corporation)</b></p> <ul style="list-style-type: none"> <li>- 5 years COMPACT (strategy) for 2008-2012, signed in 07/2007 between MCC and GoM, entry into force / effectiveness expected in 04/2008</li> <li>- 507 M\$ in 4 provinces (mainly Cabo Delgado, Nampula and Zambezia, also Niassa) : <ul style="list-style-type: none"> <li>- 204 M \$ for water and sanitation</li> <li>- 176 M \$ for roads</li> <li>- 39 M \$ for national land registration and land tenure services (cadastro de terra)</li> <li>- 17 M \$ for income increase in rural areas (coconut)</li> <li>- 71 M \$ for management, monitoring and evaluation</li> </ul> </li> <li>- implementation of the programmes by autonomous unit MCA Moz. (Millenium Challenge Account Moz.). Governance structure includes Board of Directors chaired by MPD, with offices in Maputo and Nampula. Will work closely with national and provincial sector authorities and partners</li> <li>- international competitive bidding for all the projects following MCC procurement guidelines (does not allow national preference). External procurement and fiscal agents are being competitively tendered to support the management unit</li> </ul>	<p><b>MCC :</b></p> <ul style="list-style-type: none"> <li>- large funds available with important impacts, target sectors to maximize results</li> </ul>	<p><b>MCC :</b></p> <ul style="list-style-type: none"> <li>- water and sanitation</li> <li>- roads</li> <li>- agriculture and rural development</li> <li>- non focal sector : private sector development (farmer income support, business development, land tenure)</li> </ul>	<p><b>MCC :</b></p> <ul style="list-style-type: none"> <li>- intends to remain active in roads, water, municipal development and private sector WG</li> </ul>