



# Mozambique Country Strategy 2010–2013



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Vienna, August 2010

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## Abbreviations

ADA	Austrian Development Agency
ADC	Austrian Development Cooperation
AU	African Union
BdPES	Balanço do Plano Económico e Social/Implementation of the Economic and Social Plan
CPLP	Community of Portuguese Language Countries
CS	Country Strategy
CSP	Country Strategy Paper
DAC	Development Assistance Committee
DAS	Departamento de Agua e Saniamento/Department of Water and Sanitation
DCA	Development Cooperation Act
DDA	Direcção Distrital de Agricultura/District Direction of Agriculture
DoL	Code of Conduct on Division of Labour
DPA	Provincial Department of Agriculture
DPOPH	Direcção Provincial de Obras Publicas e Habitação/Provincial Directorate of Public Works and Housing
DPPF	Direcção Provincial de Planificação e Finanças/Provincial Directorates of Planning and Finance
EC	European Community
EDF	European Development Fund
EU	European Union
FA	Financial Assistance
FAO	Food and Agriculture Organization
FMEIA	Federal Ministry for European and International Affairs of the Republic of Austria
GBS	General Budget Support
GDI	Gender-related Development Index
GDP	Gross Domestic Product
GNI	Gross National Income
GoM	Government of Mozambique
GTZ	Deutsche Gesellschaft für Technische Zusammenarbeit
HDI	Human Development Index
HIPC	Heavily Indebted Poor Countries
IMF	International Monetary Fund
IPCC	Instituto participação i consulta comunitário
LDCs	Least Developed Countries
MDGs	Millennium Development Goals
MDRI	Multilateral Debt Relief Initiative
M&E	Monitoring & Evaluation
MoU	Memorandum of Understanding
MTEF	Medium-Term Expenditure Framework
NEPAD	New Partnership for African Development
NGO	Non-Governmental Organisation
ODA	Official Development Assistance
ODAMAZ	Overseas Development Assistance to Mozambique
OE	Orcamento do Estado/State Budget



OECD	Organisation for Economic Co-operation and Development
PAARSS	Programa de Abastecimento em Agua Rural e Saneamento em Sofala/Project for Rural Water Supply and Sanitation in the Sofala Province
PAF	Performance Assessment Framework
PARPA	Plano de Acção para a Redução da Pobreza Absoluta/Action Plan for the Reduction of Absolute Poverty
PAP	Programme Aid Partner
PD	Paris Declaration
PES	Plano Económico e Social/Economic and Social Plans
PNPFD	Programa Nacional de Planificação e Finanças Descentralizadas / National Programme for Decentralised Planning and Finance
PRSPs	Poverty Reduction Strategy Papers
RAI	Annual Impact Report
RISDP	Regional Indicative Strategic Development Plan
SADC	Southern African Development Community
STOP	Technical Secretariat of the Poverty Observatory
SWAp	sector-wide approach
TA	Technical Assistance
ToR	Terms of Reference
UN	United Nations
UNAIDS	United Nations Programme on HIV/AIDS
UNDP	United Nations Development Programme
UNESCO	United Nations Educational, Scientific, and Cultural Organization
UNHCR	United Nations High Commissioner for Refugees
UNFPA	United Nation Population Fund
WB	World Bank
WFP	World Food Programme
WHO	World Health Organization
WTO	World Trade Organization



# 1. Framework of relations between partners

## 1.1 EU and Austria's strategic objectives of cooperation

In December 2007, the European Union and the Government of Mozambique signed a comprehensive Country Strategy Paper and National Indicative Programme for 2008-2013. The European Union provides support to Mozambique to promote fast, sustainable and broad-based growth, as defined in Mozambique's current Poverty Reduction Strategy Paper. The response strategy of the EC cooperation for Mozambique is to focus on certain areas, to follow the policy framework in place and to search complementarity with other donors and EC instruments. The EC aims to provide the major part of its funds as General or Sectoral Budget Support, the rest will be allocated in priority sectors such as transport infrastructures and agricultural, rural development and regional integration. The EC also will continue to strengthen harmonisation efforts in place in Mozambique with special attention to the group of Programme Aid Partners (PAP).

Strategic objectives of the Austrian Development Cooperation (ADC) are framed by its international commitments. The Paris Declaration (PD), signed by the EU and development countries including Austria, indicates five pillars to which partners will commit in order to raise the quality of development cooperation: ownership, alignment, harmonisation, managing for results and mutual accountability. The Three-Year Programme on Austrian Development Policy 2009–2011 sets out the basic aims and principles, which also guide this country strategy as well as the overall agenda<sup>1</sup>. The three objectives of the Austrian Development Cooperation are reducing poverty, safeguarding peace and human security as well as protection of the environment. For the ADC governance<sup>2</sup> is both a goal in its own right and a method for attaining these three objectives. The ADC regards governance as an essential prerequisite for poverty reduction and human development. The overall principles of ADC's work are ownership and partnership, integration in the socio-cultural context, consideration for the needs of children and people with disabilities as well as gender equality. In Mozambique ADC intends to contribute to citizens' external scrutiny in Sofala province by means of participatory budgeting and involving local citizens in decision-making and monitoring processes. ADC provides 60% of its contribution through budget support.

## 1.2 Mozambique's development strategy

The **Five Year Plan 2005–2009** is the key medium-term programming instrument of the Government of Mozambique. Poverty reduction remains a key priority of the Five Year Plan as a main objective of the Plan is to reduce the level of absolute poverty through activities in education, health and rural development.<sup>3</sup> Following the national parliamentary and presidential elections on the 28.10.2009, a new Five Year Plan 2010-2014 is being expected to be approved in February 2010.

Within the framework of the Five Year Plan, the **Action Plan for the Reduction of Absolute Poverty 2006–2009** (PARPA II) aims at reducing the incidence of poverty

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<sup>1</sup> Federal Ministry for European and International Affairs (2007), Three Year Programme on Austrian Development Policy 2007–2009, revised version 2007

<sup>2</sup> Austrian Development Cooperation (2006), Good Governance, Policy Document, Vienna

<sup>3</sup> An extensive analysis of key development challenges and opportunities in Mozambique can be found in: Republic of Mozambique – European Community, 2007, Country Strategy Paper and National Indicative Programme for the Period 2008–2013, Maputo, December 9th, [www.delmoz.ec.europa.eu](http://www.delmoz.ec.europa.eu)



from 54% in 2003 to 45% in 2009. The action plan which was extended to 2010 states two main objectives: reduction of absolute poverty and fast sustainable economic growth. The programme is based on three pillars: governance, human capital, economic development, giving coverage also to some cross-cutting issues and the overall macroeconomic framework. The plan puts a particular focus on district-based development. To fund the Mozambican development strategy, the government aims at channelling at least 85% of foreign aid through public treasury accounts. The Five Year Plan and PARPA II are implemented through annual Economic and Social Plans (PES) and represent the basis for sectoral and provincial strategic plans and for the annually updated Medium Term Fiscal Framework, which sets out the annual limits for the state budget. It is expected that the approval of the Five Year Plan 2010–2014 will be accompanied by a new poverty alleviation or growth and development strategy. While it is expected that the new Five Year Plan will follow the general lines of the currently valid document, the hereby presented ADC strategy might be adapted to allow the incorporation of new governmental initiatives and indicators within the new Five Year Plan 2010–2014. This adaptation could also be embedded in the envisaged mid term review of the ADC strategy in 2011.

**Governance** is one of the three pillars of Mozambique's poverty reduction strategy. The government aims at improving the quality of the public services provided to the citizens through a public sector reform. For the time period 2006–2009, it sets eight specific objectives: to restructure and decentralize government services, to strengthen the institutional capacities of local government, to reformulate the procedures by which services are provided, to strengthen policy management procedures, to train government employees to manage the public administration effectively and efficiently, to improve human resource management, to improve public planning and budgeting procedures as well as to make the public sector more transparent and less infested with corruption.<sup>4</sup>

The **decentralisation process in Mozambique** follows the two to main elements of devolution and de-concentration of state power to decentralised levels. Devolution is based on delegating decision-making power to the autonomous local bodies, the *autarquias locais*, while de-concentration is based on the concept of fiscal decentralisation to the provincial and district authorities<sup>5</sup>. Mozambique's agenda for devolution is currently laid out in the poverty reduction strategy, where Mozambique aims at decentralizing government functions down to the district level, thus entailing budgetary repercussions, in order to facilitate local development. While the general direction is decided on the national political level, questions regarding the degree of decentralisation, the relation between decentralisation and de-concentration, the financing etc. are embedded in a continuously ongoing debate.

Programmes designed to enhance local governments are most successful if they combine support to local governments with support to civil society through capacity development (in this context called empowerment). This kind of dual channel support offers potential synergies because it simultaneously improves local governments' democratic procedures and strengthens civil society groups' capacity to take advantage of these improvements.

On the sub-national level, all provinces in Mozambique have **Provincial Strategic Development Plans** (PSDP). The Province of Sofala is currently finalizing its strategic development plan with financial support from the ADC. The Provincial

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<sup>4</sup> Republic of Mozambique (2006), Action Plan for the Reduction of Absolute Poverty 2006–2009, Maputo, May 2nd, 2006, p. 30, pp. 74–78

<sup>5</sup> De-concentration is the delegation of responsibilities within specific territories to field-level civil servants. Its aim is greater effectiveness by improving technical efficiency. Devolution – or political decentralisation – is the transfer of power to sub-national units of government.



Strategic Development Plan for Sofala includes a definition of areas of intervention (Good Governance, Human Capital, Economic Development and transversal issues like Gender, HIV/AIDS, Environment, Food security and nutrition, Science and technology, Rural Development as well as Disaster Management) and a ten-year vision for 2007–2017.

### 1.3 Donor coordination

The intention of the **Paris Declaration** to establish national institutions and to develop their capacities to effectively define, implement and monitor social and economic progress shows some progress in Mozambique<sup>6</sup>. Joint steering and working groups observe the transformation process. The member states of the **European Union** together with the European Commission in Mozambique have agreed in 2008 on implementing the **EU Code of Conduct on Division of Labour in Development Policy**. This included the definition of 10 sectors, among them governance which includes also decentralisation and municipal development. Each donor should focus their initiatives on three sectors with a possibility to also remain active in so called non-focal sectors. As a result, EU Member States started to focus their interventions by withdrawing from some sectors or using silent partnerships or delegated cooperation, based on their comparative advantage. This Country Strategy by the **Austrian Development Cooperation** has to be seen in this context as it is aligned with the priorities of the Government of Mozambique. According to the principles of harmonisation, alignment and coherence in programming, the ADC Country Strategy now covers the same time period as the EU Country Strategy 2008-2013. After a comprehensive analysis of past project interventions and a local peer review process through the CS 19 group, ADC reduced the areas of intervention to concentrate its support on a single sector, **governance**, with its sub sector decentralisation<sup>7</sup>.

Due to the favorable context for budget support in Mozambique, a steadily increasing number of donors make use of it. General Budget Support (GBS) has been constantly rising since it started in 2000 with USD 30m. In 2009, general budget support has increased to nearly USD 485m.<sup>8</sup> Budget support to defined sectors is equally widespread in Mozambique<sup>9</sup>. ADC started in 2005 with sector budget support, contributing to the national programme for agriculture, ProAgri, using a sector-wide approach. In 2007 ADA joined the General Budget Support in Mozambique and the GBS donors also called Programme Aid Partners/PAP. Currently, ADC, through its Coordination Office in Maputo, is represented on all main PAP levels (Ambassadors, Heads of Cooperation and Economists). Within the ProAgri Dialogue mechanisms, ADC is also represented in all main dialogue fora (ProAgri Forum de Concertação, ProAgri Working Group and ProAgri Partners Group). ADC also decided to join the relevant working groups regarding the monitoring of Public Financial Management (GBS Budget Working Group and ProAgri Financial Working Group).

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<sup>6</sup> Preliminary results of the 2008 Survey on Monitoring the Paris Declaration on Aid Effectiveness survey indicate that less than 50% of all aid to the government to Mozambique uses public financial management systems. The government procurement system is now being used for approximately 60% of development aid. Project-based aid still remains high with 50% of total Official Development Assistance.

<sup>7</sup> Following a systemic approach in promoting sustainable and inclusive social and economic development as effective means to reduce poverty, disparities and inequality. ADC recognises that decentralisation is a gradual and long-term process that takes place within a specific socio-economic and cultural context.

<sup>8</sup> The biggest donors are the World Bank, the United Kingdom and the European Commission.

<sup>9</sup> <http://www.pap.org.mz>





According to the country strategy's priorities, ADC is also represented in the relevant PARPA Working Groups for thematic areas such as decentralisation (Decentralisation Working Group, PPF Working Group).

The **Development Partner Group** (DPG) focuses on general political developments. The group consists of heads of mission of bilateral donors in Mozambique, the UNDP, and the international financial institutions. The group is led by UN and World Bank. ADC is represented by the ADC Head of Cooperation.

The **Overseas Development Assistance to Mozambique** (ODAMOZ) database contains information about development interventions of 36 multi- and bilateral donors and global funds and more than 1.200 projects in Mozambique. It was initiated by the EU, later joined by the UN agencies and gradually grows as more donors join. ADC joined this initiative in 2005.

#### 1.4 Trends and issues in aid effectiveness

Mozambique was a pioneer in the establishment of coordination mechanisms between government and donors. It made impressive advances regarding the implementation of the Paris Declaration on Aid Effectiveness in a relatively short time, above all in aspects of harmonisation, alignment and predictability of aid. Nevertheless, the internal accountability of the GoM to parliament and civil society organisations, as well as the sustainability of results and impacts on the poorest levels of society, are still cause for concern.

Mozambique was defined as a priority country within the EU Fast tracking initiative on Division of Labour. A detailed mapping of engagement of EU donors in Mozambique has been elaborated. The initiative culminated in the decision of some donors to exit or enter different sectors in Mozambique as well as in elaborating further innovative approaches, such as delegated cooperation. In 2008 non-EU donors joined the mapping initiative.

Following the approval of the Accra Agenda for Action (AAA) in September 2008, the Programme Aid Partners APA have already started to take up some of the issues: The mapping exercise, which started within the EU Division of Labour exercise, was updated, a mapping of conditions within sector based funds was started and the H&A targets for the PAPs within the GBS monitoring matrix were scaled upwards to better reflect the AAA objectives.

Amongst the biggest donors in Mozambique are the World Bank, the USA, the EC, the UK, the Netherlands, Sweden and Norway. Aiming to be part of the high level GBS dialogue mechanism and the commitment to continued improvement of H&A, the UN and the US also signed the GBS Memorandum of Understanding becoming associated members, even though they are not channeling their funds via General Budget Support.

New impetus into the donor coordination was also brought through the ONE UN Initiative: In 2007, Mozambique was chosen as a ONE UN pilot country and the coordination of projects of the different UN Agencies is expected to be improved in the upcoming years.

Due to the rising importance of emerging donors like China, India and Brazil, there is a continued effort to better integrate these new donors in the existing aid architecture. Currently a Code of Conduct for all donors active in Mozambique is being formulated and should include a mutual accountability framework based on the Paris Declaration and the existing targets for GBS donors in Mozambique.



## 1.5 Lessons learned and comparative strengths:

Austrian development cooperation with Mozambique began shortly after the independence of Mozambique in 1975. Since then, ADC has continuously supported development initiatives in the country, especially in rural areas. In 1992, Mozambique became a priority country of the ADC and the Province of Sofala Austria's focus area of intervention. ADC's contribution to Mozambique, in terms of money, is modest. Therefore, ADC has deliberately concentrated its support on a single province, Sofala, with a strong geographic focus as well as a clear thematic concentration on governance and civil society, agriculture and rural development as well as water supply and sanitation. Due to this long-standing partnership in Sofala ADC has accumulated experience in the province in three previous country programmes (1996–1998, 1999–2001 and 2002–2004, extended).

- In 2003 ADC commissioned an external evaluation of the Country Programme 2002–2004 with Mozambique<sup>10</sup>.

Based on the main findings the evaluation made the following recommendations:

- To increase the relevance of the country programme by increasing ADC's aid budget for Mozambique; reducing the number of intervention areas and streamlining the country programme; integrating activities more closely into provincial plans and programmes; To strengthen the coherence of the country programme by setting a clear operational focus and concentrating on few larger projects rather than numerous smaller ones.
- To improve the sustainability of the country programme by increasing efforts to contribute more effectively to policy dialogues at national level.

Additionally ADC has learned that the key element for the widely recognised effectiveness of ADA's past interventions in Sofala was a combination of three elements:

- a) Training and capacity development support to participatory planning involving civil society
- b) and – most crucially – **the provision of additional funds for the implementation of district and municipality development plans**. This distinctive combination allows partners to use the acquired skills and knowledge in practice. Training and capacity development for both functionaries and representatives of civil society is the basis for sustainable results. Providing funding for small infrastructure allows ADC's development partners in the districts and municipalities of Sofala to apply their newly enhanced capacity during an entire project cycle: from participatory planning to implementation and the monitoring of progress. This requires the involvement of all stakeholders – especially the poor and marginalised – in decision-making processes. Only an empowered civil society can hold local authorities accountable for delivering services which meet their needs. This distinct combination of capacity-building for public functionaries and civil society as well as the provision of funds to apply newly acquired skills has turned out to be a strong competitive advantage of ADC.
- c) A crucial element – but also a key challenge – for achieving sustainable results is a close **partnership with the provincial and district authorities in Sofala**. It is paramount for relevant and sustainable interventions that development initiatives and investments are jointly planned and monitored in close cooperation with local government and civil society.

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<sup>10</sup> Hannes Manndorff, Barbara Nöst, Walter Reiter, Ester dos Santos José (2008), Evaluation of the Country Programme Mozambique of the Austrian Development Cooperation, Final Report, Vienna, 2004/05/14



A general lesson learned by the donor community is that the traditional concept of **technical assistance** within the framework of planning and implementation is always to be scrutinised. The technical assistance is often supply rather than demand driven, usually relatively expensive and sometimes not based on a representative assessment. A more efficient, sustainable and even cheaper option is to channel resources – in terms of funding and capacity development – directly to the target organisations.

Following up the recommendations of the external evaluation of the Country Programme 2002–2004 and the lessons learned led to significant changes in the way ADC is operating in Mozambique.

ADC has expanded sector and general budget support to Mozambique becoming ADC's pilot country for general budget support. Due to the fact that Mozambique features a multitude of often fragmented donor interventions, the need for donor **harmonisation and alignment** is apparent. So ADC has increased its participation in joint working groups of the Government of Mozambique and donors at national and provincial level. The ADC firmly supports the international commitments of donors for harmonisation and alignment with special regard to the Paris Declaration, the Code of Conduct on Division of Labor and the Accra Agenda for Action aiming to follow to the principle of **managing for development results**. The ADC contributes in cooperation with other donors to the development aims and objectives of the Government of Mozambique and monitors the realisation of expected results in close collaboration with its partners and the Government of Mozambique according to the established and agreed-upon monitoring procedures and mechanisms.

## 2. Response strategy 2010–2013

### 2.1 Fighting poverty and vulnerability: Austria's contribution<sup>11</sup>

Mozambique defines poverty as “the impossibility, owing to inability and/or lack of opportunity for individuals, families, and communities to have access to the minimum basic conditions, according to the society's basic standard”.<sup>12</sup> Mozambique is one of the poorest countries in the world, with a gross national income of USD 250 per capita. 10 million people still live in absolute poverty. Despite recent improvements, the UNDP's Human Development Index places Mozambique in last position among the 14 SADC countries and 175th out of 179 countries. Less than 40% of the population has access to national health facilities. Only 40% of the rural and 50% of the urban population has access to improved sanitation and 51.8% (rural areas) and 50% (urban areas) to an improved water source in 2004.<sup>13</sup> Chronic malnutrition in Sofala among children from 0–5 years amounts to 42% (2003). Therefore child mortality is very high, especially in rural areas.

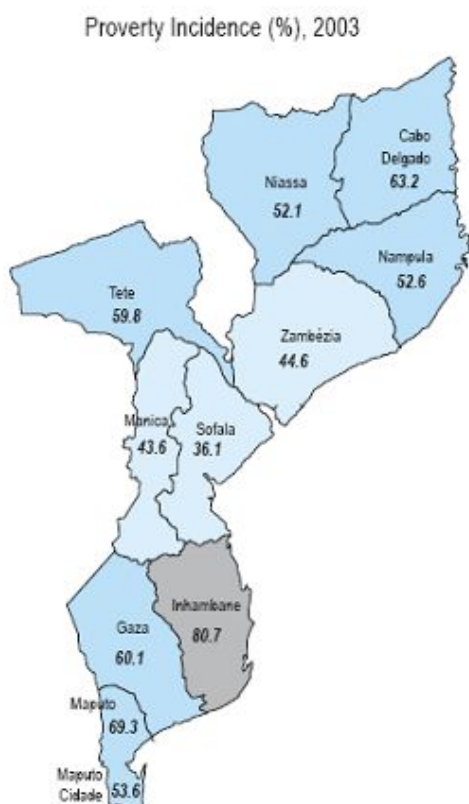
Household data shows, however, that the proportion of the population living below the poverty line has fallen from nearly 70% in 1997 to 54% in 2003. The poverty gap, measuring the changes in the standard of living among the poor, declined sharply from nearly 30 to 20 in the same time period. Inequality, however, has not changed much, as the Gini coefficient indicates. Economic growth has been poor as the reduction of poverty was particularly strong in rural areas, although not

<sup>11</sup> An extensive analysis of the political, economic, social and environmental situation in Mozambique can be found in: Republic of Mozambique – European Community, 2007, Country Strategy Paper and National Indicative Programme for the Period 2008–2013, Maputo, December 9<sup>th</sup>, Chapter III (Country Diagnosis), [www.delnam.ec.europa.eu](http://www.delnam.ec.europa.eu), pp. 3–22.

<sup>12</sup> UNDP (2007), Human Development Report 2006

<sup>13</sup> Mozambique Data Profile, The World Bank Group

mitigating regional disparities. This was due to agricultural expansion, greater non-farm activities in rural areas and a rise in employment income.



The most recent household survey shows that the **Province of Sofala** has now a lower incidence of poverty than it appeared before. Compared to the previous survey, the change has been quite remarkable: the poverty incidence fell from 88% in 1998 to 48% in 2004, the depth of poverty from 49 to 17. While the first survey depicts Sofala as the province with the highest poverty incidence rate as well as the highest depth of poverty, the second survey from 2004 ranks Sofala second only to the city of Maputo in both regards. Such a dramatic improvement in six years results in part from an overestimation of poverty levels in Sofala in the 1998 survey.<sup>14</sup> Even a prudent interpretation of data, however, suggests a substantial and broadly based economic improvement in the province since 1998.

Despite these improvements, however, more than one third of the population of Sofala province still lives in absolute poverty. Living conditions in Sofala province are generally low, especially with regard to housing, access to safe drinking water and sanitation and to electricity. Within Sofala province, the situation in the rural areas of Sofala varies, depending on factors like its proximity to urban centres, traffic infrastructure or the presence of agro-industries. 85 to 95% of the active population is working in agriculture; the size of the average plots of land ranges between 1 to 2 hectares. Illiteracy is very high, with 80% to 90% of women and 55% to 70% of men being illiterate. The subjective perception of poverty in Sofala shows a negative trend. In every single district with the exception of Búzi, citizens judge their economic well-being to have

deteriorated. For 2006, only three districts (Cheringoma, Marromeu, where ADC is present, and Gorongosa) show a slight improvement in perception of economic well-being.<sup>15</sup>

It has to be kept in mind that the capacity of the district administrations in Sofala is still very limited. They have budgets of generally less than one \$US per capita annually at their disposal. 65% to 90% of the district budgets are financed through the state budget. 50% to 60% of public expenditure is salaries.

## 2.2 Strategic considerations for Austria’s support

For the time period 2010–2013, ADC will contribute to the overall development objective defined by the Government of Mozambique:

### **Absolute poverty reduced and rapid, yet sustainable and comprehensive economic growth promoted**<sup>16</sup>

Within this context ADC will be mainly involved in supporting the **Governance** pillar of the National Poverty Reduction and Development strategy by focussing on the respective chapter on Public Sector Reform as well as Decentralisation. ADC will

<sup>14</sup> Mozambique Data Profile, The World Bank Group

<sup>15</sup> INE (2006): O Desenvolvimento Distrital em Sofala através do Inquérito SMD: Resultados 2005/2006, Beira, 12.12.2006.

<sup>16</sup> These objectives are defined in Mozambique’s Action Plan for the Reduction of Absolute Poverty 2006–2009. They are also the objectives of the support by the European Commission in Mozambique.



moreover take part in mainstreaming governance in the below-mentioned focal areas as well as in General Budget Support. **Decentralisation** and de-concentration are considered to be special issues for Mozambique. The State faces a huge challenge because districts are being defined as budgetary planning units within the framework of poverty reduction.

ADC will focus on improving decentralised public services in the Province of Sofala by 2013 to reduce absolute poverty and promote economic growth. There is a clear link between decentralisation and poverty reduction as long as it is based on the principle of subsidiarity which means nothing more than to strive for vigorous local activities requiring participation, development based on local resources and potentials as well as the interest of people at the local level and an intensive dialogue with local organisations. The underlying assumption is that bringing decision-making closer to citizens gives poor people a voice, facilitates communication between policy-makers and their constituencies, fosters accountability and ultimately improves the systematic and equitable provision of public goods and services. The rationale for increased decentralisation is that public services oriented towards local priorities and respective local development plans will ultimately benefit the poor.<sup>17</sup>

ADC's specific interest in tangible outcomes for the benefit of poor people will make it necessary to follow an Ex Ante – Poverty Impact Assessment (PIA) approach whenever deciding on new specific programmes. Whenever possible, such PIAs will be done jointly with partners. This strategic element will also be part of the overall programme monitoring concept and complement joint efforts in promoting pro-poor growth to be built-upon evidence-based assessments.

ADC's programme is centred on the topic **decentralisation**<sup>18</sup>, following a systemic approach in promoting sustainable and inclusive social and economic development as effective means to reduce poverty, disparities and inequality. The efficiency of local development plans and budgets, being elaborated, agreed-upon and executed in cooperation with local actors, relies on a balance between the following objectives:

- Ensuring inclusion and equity in public services delivery at local level through capable and efficient local governance
- Promoting local economic development
- Strengthening sustainable management of natural resources

European development partners are committed to harmonise and coordinate their interventions at local level respecting the specificity of each actor's instruments. Regarding local development they integrate the partner countries' local authorities into all levels/aspects of their support (elaboration, planification, monitoring and evaluation). They seek to ensure coherence between the specific modalities of their interventions and national strategies and systems as well as with the programming and budgetary capacities of the respective local authorities. They also promote transparency and accountability as well as inclusive participation of all local actors in decision-making processes. Within this context it is crucial to follow the concept of **integrated** basic services. At present provincial and district services rather follow a sector **oriented** logic.<sup>19</sup>

<sup>17</sup> Decentralisation is not necessarily pro-poor. The effect of decentralisation on poverty reduction does depend to a certain extent on the context, as recent experience has shown (see OECD, 2004, Lessons Learned on Donor Support to Decentralisation and Local Governance, DAC Evaluation Series, Paris).

<sup>18</sup> Within this context ADC's strategic approach is based on the European Charter on development cooperation in support of Local Governance (2008) as well as ADA's draft strategy paper on Decentralisation, Local governance and Local development (2007)

<sup>19</sup> United Nations Development Assistance Framework (UNDAF) 2007–09



ADC uses therefore within the framework of this country strategy a multi-pronged strategy providing support on national and provincial level, and focuses both on the supply and demand side of decentralised services. ADC combines national support through general and sectoral budget with contributions to the process of decentralisation and strengthening the national processes and ownership. By (pooled) funding of specific programs and projects ADC aims to strengthen local capacity development of public administration and empowerment of civil society in Sofala province to make service delivery more effective and efficient.

ADC supports Mozambique in its consolidated push for more de-concentration of public services to the level of the district and municipalities through contributions to

- the *devolution of power to municipalities* to strengthen the municipalities' autonomy and their balanced and sustainable development, ensuring wider coverage and quality in the provision of services. While de-concentration to the district remains an important aspect of decentralisation, the prime vehicle for devolution of power from the central state is the municipality<sup>20</sup>
- the consolidation of the decentralisation function of the National System of Planning and Finances and building the institutional capacity to plan and implement in a participatory and transparent manner

In addition, ADC supports both the providers of decentralised services as well as the users of decentralised public services:

- on the **supply** side of decentralised public services to develop the capacity of the district, municipality and provincial government that are charged with planning, executing, and monitoring decentralised public services. Local government refers to both the political leadership (the elected Councils, Assemblies or Community leaders) and the supporting staff (the local administration).<sup>21</sup>
- on the **demand** side of decentralised public services to empower organised groups of civil society, including women's organisations, to interact, participate in planning and monitoring and to provide feedback to public service providers. The quality and quantity of public services relies on the capacity of its users to interact and provide feedback. Only the involvement of users of decentralised public services - the rural population and particularly the rural poor – will result in public services more based on local needs.

Within this context ADC will focus on decentralisation in two specific themes: decentralised water and sanitation services as well as decentralised agricultural services in the Province of Sofala. Therefore, ADC will follow up two strategic results by 2013:

- Sustainable, inclusive and equitable public **water supply and sanitation** service delivery improved in quality<sup>22</sup> and quantity in districts and municipalities of Sofala Province by 2013

<sup>20</sup> see also: Austrian Development Agency (2006), Draft Strategy Decentralisation, Local Governance and Local Development, 09/2006

<sup>21</sup> ADC's support to local government capacities will focus on three dimensions: a) improving *individual* capacities through training of elected personnel and local administration staff, b) strengthening the *institutional* capacity through the introduction of improved methods and organisational arrangements for managing local public sector resources, and c) enhancing the *systemic* capacity for effective and cooperative intergovernmental relations between local authorities and the central and de- concentrated public administration.

<sup>22</sup> Quality in respect to these two strategic results refers to the issues of affordability, accessibility and utilisation by all.



- Pro-poor public service delivery in the area of **agriculture for sustainable rural development** improved in quality and quantity in districts and municipalities of Sofala Province by 2013

In delivering the two expected results ADC will follow the preference for budget support whenever conditions are met.

## 2.3 Areas of intervention

The general focus of ADC on decentralisation and local development<sup>23</sup> with special attention on the two above-mentioned results will be based on the following priorities and considerations:

### 2.3.1 Intervention area a)

#### **Sustainable public water supply and sanitation service delivery**

- Establishing and maintaining infrastructure as well as strengthening organisations for the sustainable, inclusive and equitable management of access to safe drinking water and adequate sanitation for reducing poverty, improving public health and increasing livelihood opportunities.

Interventions in the water sector should always aim at the entire system and not just concentrate on isolated elements. A holistic, integrative approach is necessary to keep the various effects under control and to avoid social disparities and incoherent approaches within a region.<sup>24</sup>

### 2.3.2 Intervention area b)

#### **Sustainable public service delivery in the area of agriculture for sustainable rural development**

- Supporting local economic development and pro-poor growth as well as food security by ensuring equal access to and utilisation of natural resources (especially land), markets, extension services as well as locally relevant research, promoting the sustainable use of natural resources, the protection of biodiversity, the adaptation to climate change at community and family farm level as well as the management of risks and the provision of safety nets.

Pro-poor investment in agriculture means first and foremost the stimulation of smallholder production for a sustainable and increased income. This objective is generally best served by applying ecologically sound practices which preserve the environment and biodiversity, by making use of local knowledge, developing appropriate technologies and methods as well as by conducting applied research for fostering innovation networks at grass root level.<sup>25</sup>

## 2.4 Non-focal areas and cross cutting issues

**Governance** needs to be mainstreamed in all development activities of ADC.<sup>26</sup> The method applied to support the integration of governance as a transversal theme is

<sup>23</sup> In following up this approach ADC is following the EC in introducing the term of local (“territorial”) development, i.e. getting local people involved in investment decisions and managing resources and to support the emergence of local development clusters.

<sup>24</sup> Austrian Development Cooperation (2009), Water Supply, Sanitation, Water Resources, Policy Document, Vienna

<sup>25</sup> Austrian Development Cooperation (2006), Rural development, Setting priorities for the Austrian Development Cooperation

<sup>26</sup> Austrian Development Cooperation (2006), Good Governance, Policy Document, Vienna



based around five principles: accountability, transparency, participation, non-discrimination, and efficiency.<sup>27</sup>

**Human rights** are understood by ADC as the rights based on the inherent dignity of all individuals that enable them to fully develop their potential. This includes not only civil and political rights but also economic, social and cultural rights. It includes equal treatment for disabled persons. Respect and realisation of human rights are of fundamental importance for the implementation of two of the three ADC priorities, namely poverty reduction and human security. At the centre of human security are dignity and material physical wellbeing, including food security, life expectancy, health, the rule of law and freedom from violence, and access to education and resources.<sup>28</sup>

### **Peace building and conflict prevention**

Decentralisation is also a mechanism to avoid conflicts and to consolidate peace. Beneficial impacts can be achieved, e.g. through increased efficiency and effectiveness of public services, a structured participation of socially excluded groups and local minorities as well as an increase in legitimacy of the state. Because de-concentration and devolution can change power structures, they may also increase conflict potential. Especially in a post-conflict situation like in Mozambique, support to decentralisation needs to remain sensitive to potential conflicts of interest. For that purpose, ADC will take a conflict-sensitive approach.

### **Gender equality and empowerment of women**

ADC will pursue a gender mainstreaming approach when designing and planning development interventions to strengthen gender equality and women's empowerment. This means the identification of gender issues in all programme components, including performance and results indicators. Noteworthy are further attention to facilitation of women's participation and inclusion of women's organisations at all levels.<sup>29</sup>

### **Environment and natural resources**

Mozambique faces significant environmental challenges. The most threatening are related to the degradation of the natural resource base in rural areas, especially in the area of forests. Policies, plans and national environmental regulations exist, but their implementation on the local level is difficult. Resources, personnel capacities and know-how are limited, and environmental issues receive comparatively low political attention on all levels of politics and public administration. ADC's interventions will take into consideration these issues in its support at local level.

## **2.5 Other financing tools**

### **2.5.1 NGO cooperation**

ADC supports Austrian Non-Governmental Organisations<sup>30</sup>. The instruments of NGO co-financing should contribute to the strengthening of capacities of the civil society in Mozambique, facilitating technical assistance and know-how transfer. They should complement and support the activities of the Country Strategy, including the geographical focus, whenever possible.

<sup>27</sup> SDC (2007), Governance as a Transversal Theme, Bern.

<sup>28</sup> Austrian Development Cooperation (2006), Human Rights, Policy Document, Vienna

<sup>29</sup> Austrian Development Cooperation (2006), Gender equality and empowerment of women, Policy Document; Vienna

<sup>30</sup> Austrian Development Cooperation, NGO Co-operation, Policy Document, Vienna





### 2.5.2 Humanitarian assistance

The aim of ADC's humanitarian assistance in Mozambique is to provide emergency aid as well as to preserve the livelihoods of vulnerable and marginalised communities resulting from conflict and natural disasters. Emergency aid will be given in response to disasters as they occur and depending on ADC's available funds for disaster relief. For implementation purposes, ADC will be working with qualified humanitarian organisations and will in any case be attentive to the Linking Relief, Rehabilitation and Development (LRRD) principle.

When it comes to preservation of livelihoods in vulnerable communities the focus will be put on food security and disaster prevention. The aim of such programmes is to enhance the efforts of local communities to improve food access, food utilisation, and increase productivity as well as to gain experience in disaster management. Food security programmes and projects will be closely linked to the sub-programmes.

### 2.5.3 Mine Action Programme

Among the ADC partner countries, Mozambique is one of the most affected by landmines. The aim of all mine action activities is to combine corrective measures with development programmes as set out in the Country Strategy.

This could involve:

- focussing on the social and economic reintegration of mine victims in the sector of health and human rights of disabled people,
- including mine clearance components while implementing rural development and food security projects.
- carrying out mine risk education programmes as an integral part of education and school projects (relevant for NGO co-financing projects).

### 2.5.4 Private Sector and Development

A dynamic, inclusive, well-functioning and socially responsible private sector is a valuable instrument for generating economic growth and reducing poverty. **Business Partnerships** are a cooperation instrument, which aims at supporting cooperation between Mozambican and Austrian companies. They are based on a specific approach that requires companies to carry out long-term investment at their own cost and risk, aiming at generating local value. There are several fields for cooperation: In the agricultural sector, Austrian companies can contribute knowledge for quality improvement and further processing to (semi-)finished products. Through the establishment of linkages to the European markets, Mozambican farmers are able to participate in the global value chain. The water and renewable energies sectors are possible fields of cooperation too. In this context private sector partnerships for the transfer of technology and know-how to the local population are conceivable.

Various partnerships within the private sector also work without international participation: Local companies, too, have a considerable potential for being partners when it comes to devising, funding and implementing projects with a clear developmental value added. Similar to the methodology applied with the Business Partnership Program, ADC is ready to team up with local companies within the framework of the so-called **Program Based Business Partnerships**, provided that the joint undertaking is instrumental for achieving the goals of this programme. By opening its country strategy to local enterprises, ADC expects the possibility of mobilising additional funding for the purposes of this strategy, but also to strengthen the local private sector as such. Within the framework of ADC's focus areas on (i) decentralisation and (ii) rural development in Mozambique several fields of cooperation with the private sector could be identified. Presently, these opportunities



mainly concern food-processing and renewable energy through the creation of linkages to local, regional and European markets. A programme concerning *Jatropha* is actually implemented and serves as a pilot project for proving the profitability in terms of smallholder income and environmental sustainability of such ventures.

#### 2.5.5 Research and Higher Education

ADC provides overseas scholarships to applicants of Mozambique according to a set of defined criteria. To strengthen Mozambican educational institutions as well as its science and research capacities ADC moreover supports the institutional cooperation between universities and research institutions in Mozambique and Austria. One strategic aim is to strengthen the human resources through integrated training and applied research on a demand-based approach in the rural water and sanitation sector in Sofala.

Within the framework of Austria's support for the Consultative Group on International Agricultural Research (CGIAR) the main focus is on contributions to local adaptation in climate change, improvement of food security, income generation (through increased agricultural productivity and marketing) as well as sustainable resource management and strengthened capacities of national and regional research institutions

#### 2.5.6 Multilateral Projects

Austrian policy is to concentrate its efforts further by focussing on fields of works i) where partnership has already been explored and efficiently put in practice; ii) which are of high relevance within the sectoral and thematic context of the programme and iii) with special consideration of possibilities for establishing synergies on regional and local level.

Austria will explore ways and means of cooperating with international partners around future decentralisation and community empowerment programmes, especially when dealing with Sofala Province. The main interest is to strengthen local government in its capacity and to improve the livelihood and natural resource base of local communities.

### 2.6 Links to ADC Regional Strategy for Southern Africa

ADC links – whenever synergies can be created – the Country Strategy Mozambique to ADC's **regional engagement in the SADC region**<sup>31</sup>. Within this context only a few examples should be mentioned:

- ADC's focus on governance and decentralisation is also a priority at regional level. Among others support is given to complementary measures to budget support in capacity development of SADC parliamentarians with Mozambique being the focus country. The analytical capacity of the members of the national parliament in Mozambique will be developed to carry out budget oversight functions and to assess the impact of development cooperation.
- Land issues are an absolute priority for poverty reduction within the SADC community as well as in Mozambique. This challenge is in both cases connected to the topics of natural resource management and land use planning, especially in relation to adaptation measures for climate change.
- The SADC member states, such as Mozambique, are in strong need of solutions in terms of improving energy security and access to sustainable

<sup>31</sup> Considering the important role of the SADC member states in implementing SADC programmes the ADC supports country specific interventions based on the regional focus and response strategy either as part of the regional programme intervention or as specific country interventions.

energy technologies. Mozambique is one partner country of the SADC Programme for Biomass Energy Conservation in Southern Africa, to which ADC contributes in cooperation with other donors. The SADC region is the epicentre of the HIV and AIDS pandemic with more than 14.9 million people living with this disease. ADC gives support to UNAIDS' regional programme, with Mozambique being the focus country.

## 2.7 Budget scenario

The following funds, subject to budgetary provisions, have been earmarked as indicative figures for the programme:

	General Budget Support	Intervention areas a and b, including Private Sector and Development within Sofala Province	CGIAR programmes	Other financing tools:
2009	1.6 mill. €	approx. 3.4 mill. €	approx. 330,000 €	NGO cooperation Humanitarian assistance Mine Action programme Research and Higher Education programmes Multilateral projects
2010	3.2 mill. €	approx. 1.85 mill. €	approx. 330,000 €	
2011	3.2 mill. €	approx. 1.85 mill. €	approx. 330,000 €	
2012	3.2 mill. €	approx. 1.85 mill. €	approx. 330,000 €	
2013	3.2 mill. €	approx. 1.85 mill. €		
<b>Σ 2009–2013</b>	<b>14.4 mill. €</b>	<b>approx. 10.8 mill. €</b>	<b>approx. 1,320,000 €</b>	

### Tentative Allocation of Resources of ADA according to intervention areas (to be effective primarily within Sofala region)

Description		2009	% of the Grant	2010–13	% of the Grant
<b>Intervention areas</b>	a: Water supply and sanitation	0.975 mill. €	20%	2.5 mill. €	12.5%
	b: Agriculture	1.15 mill. €	23%	0.5 mill. €	2.5%
	c: Capacity Development and Decentralisation	1.2 mill. €	24%	4.2 mill. €	21%
<b>Non-attributed to intervention areas (GBS)</b>		1.6 mill. €	33%	12.8 mill. €	64%
<b>Total</b>		<b>4.925 mill. €</b>	<b>100%</b>	<b>20 mill. €</b>	<b>100%</b>

### Tentative Allocation of ADA Resources according to funding instruments

	General Budget Support	Sector Budget Support	Projects and contribution to programmes and common funds	
2009	1.6 mill. €	1 mill. €	2.3 mill. €	4.9 mill. €
2010	3.2 mill. €	500,000 €	1.3 mill. €	5 mill. €
2011	3.2 mill. €		1.8 mill. €	5 mill. €
2012	3.2 mill. €		1.8 mill. €	5 mill. €
2013	3.2 mill. €		1.8 mill. €	5 mill. €
<b>Σ 2009–2013</b>	<b>14.4 mill. €</b>	<b>ca. 1,500,000 €</b>	<b>9 mill. €</b>	<b>24.9 mill. €</b>



## 3. Programme implementation

### 3.1 Implementation Structure

Whereas the Austrian Federal Ministry for European and International Affairs has the lead in defining and following up the Country strategy, the Austrian Development Agency takes the overall responsibility for its implementation and the documentation for lessons learned and concrete programme results for quality management and further strategy development. In Mozambique, ADC's Coordination Office is responsible for planning, operationalisation, monitoring and data management, especially the follow up of baselines and benchmarks within the Logical Framework (See Annex 1)

Basis for the bilateral technical cooperation with the Government of Mozambique is the bilateral agreement of 1986. This document will be the reference for a Memorandum of Understanding regarding the Country Strategy and its specific components that define ADC's support in terms on general and sectoral budget support. It will furthermore reaffirm the Province of Sofala as geographical focus for ADC. In addition, this MoU will define the ways and means of the monitoring and evaluation of the progress of the country strategy by the Mozambican and Austrian side.

### 3.2 Monitoring and Evaluation

ADC's specific interest in tangible outcomes for the benefit of poor people provides the basis for ADC's overall monitoring concept. Within this context its support in promoting pro-poor growth will be valued on the basis of evidence based assessments. ADC – especially regarding the development process in Sofala province – pays attention to the final result of aid and the tangible effects on people's livelihoods. In this context of enhanced performance management ADC cooperates with the other donors and the Government of Mozambique to develop improved information systems and to strive for a good documentation of outcomes and new lessons learned.

ADC monitors general and sectoral budget support as well as joint programmes in close collaboration with its partners and the Government of Mozambique according to the established and agreed-upon monitoring procedures and mechanisms using the **Performance Assessment Framework** (PAF) of PARPA II. The PAF includes specific indicators and benchmarks by which to measure government performance. Each year in April, the Annual Review assesses the performance of the past year. A planning meeting in autumn each year validates the matrix of indicators for the following year. In line with the Paris Declaration, the **performance of donors** is also closely monitored. The PAF also includes a table of indicators against which ADC's performance will be measured. Apart from the review mechanism a permanent dialogue on political and technical level involving all PARPA Sector Working Groups is taking place.

Development results of Sofala Province will be monitored in the area of interventions, see chapter 2.3, on the basis of a number of specific outcomes. Further cooperation in the field of results management and documentation of outcomes will be matter of discussion with the Government of Mozambique in the frame of negotiating the Memorandum of Understanding.

## ANNEX: Sequence of objectives according to the Logical Framework referring to Sofala province

### a. General development indicators

In order to appreciate some general development results in Sofala province at municipality and district level, reference is made to some selected aspects of the indicator matrix of the United Nations Development Assistance Framework (UNDAF) as well as to the basic intentions of the European Charter on Development Cooperation in support of Local governance.

	Logic of Interventions	Objectively Verifiable Indicators	Sources of Verification	Assumptions
<b>Overall objective</b>	<b>Absolute poverty reduced and comprehensive, yet sustainable economic growth promoted<sup>32</sup></b>	<ul style="list-style-type: none"> <li>- Poverty head count index (baseline 2002/3)</li> <li>- Poverty Gap Index (baseline 2002/03)</li> <li>- GINI coefficient (baseline 2002/03)</li> </ul>	<ul style="list-style-type: none"> <li>- Approved reports on the PAF of PARPA II</li> </ul>	
<b>Programme Purpose</b>	<b>Contribution to poverty reduction in Sofala province through improvement of decentralised public services by 2013</b>	<ul style="list-style-type: none"> <li>■ Poverty head count index for Sofala (baseline 2002/3: 26.1%)</li> <li>■ Poverty Gap Index for Sofala (baseline 2002/03: 10.7%)</li> <li>■ GINI coefficient for Sofala (baseline 2002/03: 0.43)</li> <li>■ % of budget transferred to provinces in general (baseline 2007: 24.9%)*</li> <li>■ % of budget transferred to districts of Sofala province (baseline 2007: 3.0%)</li> <li>■ % of budget transferred to municipalities of Sofala province (baseline 2007: 0.8%)</li> <li>■ Access to and satisfaction with public service delivery</li> </ul>	<ul style="list-style-type: none"> <li>■ Performance Assessment Framework of PARPA II</li> <li>■ Provincial annual reports</li> <li>■ Districts and municipalities annual reports</li> <li>■ National Institute of Statistics</li> <li>■ User surveys</li> </ul>	<ul style="list-style-type: none"> <li>- Stability in national political and economic context.</li> <li>- Programme Aid Partners and GoM stick to their commitments.</li> <li>- General Budget Support is available as planned and used for PARPA II.</li> </ul>
<b>Expected Results 1</b>	<b>Capacity and performance of local government to plan, manage and monitor resource allocation in a transparent and efficient manner</b>	<ul style="list-style-type: none"> <li>■ Number of districts and municipalities where strategic priorities are reflected in annual activity plans and budgets</li> <li>■ Number of districts and municipalities where budget execution reports are linked to activity plans</li> </ul>	<ul style="list-style-type: none"> <li>■ Provincial annual reports</li> <li>■ Districts and municipalities annual reports</li> <li>■ National Institute of Statistics</li> <li>■ User/stakeholder surveys</li> </ul>	<ul style="list-style-type: none"> <li>- GoM and society assume the commitment to promote social economic development, inclusive participation and empow-</li> </ul>

<sup>32</sup> The overall objective is identical with the objectives defined in the national development strategy PARPA II. It is also identical with the overall objective defined by the European Union's country strategy.



	Logic of Interventions	Objectively Verifiable Indicators	Sources of Verification	Assumptions
		<ul style="list-style-type: none"> <li>■ Number of districts and municipalities where the quality of community participation in the local government planning and budgeting process has improved</li> <li>■ Number of district staff and civil society organisation representatives trained to deliver services according to national quality standards and guidelines, in needs assessment and result-based management</li> <li>■ Success of established systems and mechanisms for monitoring and evaluating the development agenda (including the poverty and Development Observatories) in Sofala Province</li> </ul>		<ul style="list-style-type: none"> <li>- erment at local level.</li> </ul>
<b>Expected Results 2</b>	<b>Sustainable public water supply and sanitation service delivery improved in quality and quantity in districts and municipalities of Sofala Province by 2013</b>	<ul style="list-style-type: none"> <li>■ Number of new water points that were constructed in the districts and municipalities of Sofala province (baseline: n/a, target 2009: 1,034)*</li> <li>■ % of the population with access to potable water in rural areas of Sofala*</li> <li>■ % of the population with access to sanitation services in rural areas of Sofala*</li> </ul>	<ul style="list-style-type: none"> <li>■ Performance Assessment Framework of PARPA II</li> <li>■ Provincial, district and municipalities annual reports</li> <li>■ National Institute of Statistics</li> </ul>	<ul style="list-style-type: none"> <li>- Support of the decentralisation process by National Authorities.</li> <li>- Decentralisation process supports Local Governments.</li> </ul>
<b>Expected Results 3</b>	<b>Public service delivery in the area of agriculture for sustainable rural development improved by 2013 in quality and quantity in districts and municipalities of Sofala Province</b>	<ul style="list-style-type: none"> <li>■ Total number of peasants assisted by public extension services, including sub-contracting, in Sofala (baseline 2007: 41,251 in Sofala; of which 11,763 men and 9,511 women; total number in Mozambique: 285,361)*</li> <li>■ Change (percentage) in yield of major crops in Sofala province</li> <li>■ Amount of agricultural produce marketed in Sofala province</li> <li>■ Percentage of members of communities/producer associations reporting increased productions or profits</li> <li>■ Number of people trained in natural/ environmental resources management</li> <li>■ Number of natural resource management plans adopted at district level</li> <li>■ Number of women, men and communities with land titles acquired</li> </ul>	<ul style="list-style-type: none"> <li>■ Performance Assessment Framework of PARPA II</li> <li>■ Provincial, district and municipal annual reports</li> <li>■ National Institute of Statistics</li> <li>■ Population/Agricultural census</li> <li>■ Household survey</li> </ul>	<ul style="list-style-type: none"> <li>- SWAP Partners stick to their commitments.</li> <li>- SWAP support is available as planned and used for the SWAPs.</li> <li>- GoM fulfils obligations as indicated in MoU.</li> </ul>



	Logic of Interventions	Objectively Verifiable Indicators	Sources of Verification	Assumptions
		<ul style="list-style-type: none"> <li>■ Number of land conflicts solved in the interest of the local community and compensation provided</li> <li>■ Number of irrigation ha rehabilitated with public funds and put under management of beneficiaries in Sofala (baseline 2007: 110 ha in Sofala, total number in Mozambique: 3,520 ha)*</li> </ul>		

\* Indicators in the Performance Assessment Framework (PAF) of PARPA II; based on the assumption that the data collected through PAF of PARPA II can be disaggregated to the provincial level.



**b. Programme based indicators**

<p><b>Expected Results 1</b></p>	<p><b>Capacity and performance of local government to plan, manage and monitor resource allocation in a transparent and efficient manner</b></p>	<ul style="list-style-type: none"> <li>■ Number of municipalities in Sofala with improved strategic and operational management through better alignment between plans, structure, persons, processes, systems and other resources*</li> <li>■ Number of municipalities in Sofala with improved financial management contributing to an increase in revenues and the rationalisation of expenditures*</li> <li>■ Number of municipalities in Sofala with improved supply and quality of municipal services through improved management and of the investment in and maintenance of infrastructures and equipment*</li> </ul>	<ul style="list-style-type: none"> <li>■ Provincial annual reports</li> <li>■ Evaluation Reports</li> </ul>	<ul style="list-style-type: none"> <li>- Support of the decentralisation process by National Authorities</li> <li>- Decentralisation process supports local government</li> </ul>
<p><b>Expected Results 3</b></p>	<p><b>Public service delivery in the area of agriculture for sustainable rural development improved by 2013 in quality and quantity in districts and municipalities of Sofala Province</b></p>	<ul style="list-style-type: none"> <li>■ Total number of producer associations in Sofala (baseline 2005: total number in Mozambique 2,476)*</li> <li>■ Increase of agricultural production in Sofala (baseline 2007: 10.3 mill. MT in Mozambique)*</li> <li>■ Increase of production for commercialisation in Sofala (baseline 2007: 82,808 kgs/ha in Mozambique)*</li> <li>■ Percentage of processes (for authorisation of right, use and exploration of land) finalised in a delay of 90 days or less in Sofala (baseline 2005: 78%)*</li> <li>■ Total number of communities with land eliminated and registered in the cadastre (baseline 2005: 180 in Mozambique)*</li> <li>■ Number of irrigation ha rehabilitated with public funds and put under management of beneficiaries in Sofala (baseline 2007: 110 ha in Sofala, total number in Mozambique: 3,520 ha)*</li> </ul>	<ul style="list-style-type: none"> <li>■ Performance Assessment Framework of PARPA II</li> <li>■ Provincial annual reports</li> </ul>	<ul style="list-style-type: none"> <li>- SWAP Partners stick to their commitments.</li> <li>- SWAP support is available as planned and used for the SWAPs</li> <li>- GoM fulfils obligations as indicated in MoU.</li> </ul>

\* Indicators in the Performance Assessment Framework (PAF) of PARPA II; based on the assumption that the data collected through PAF of PARPA II can be disaggregated to the provincial level.