

**CTB**



REPÚBLICA DE MOÇAMBIQUE  
MINISTÉRIO DA ECONOMIA E FINANÇAS

# ANNUAL REPORT- STUDY AND EXPERTISE FUND 2015

INTERVENTION MOZ1302611

5

2015

|   |           |
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## Acronyms

<List all acronyms used in the report (alphabetically; see examples below)>

|      |                                       |
|------|---------------------------------------|
| BTC  | Belgian Development Agency            |
| IEC  | Information/Education & Communication |
| JLCB | Joint Local Consultative Body         |
| M&E  | Monitoring and Evaluation             |
| MEF  | Ministry of Economy and Finances      |
| MPD  | Ministry of Planning and Development  |

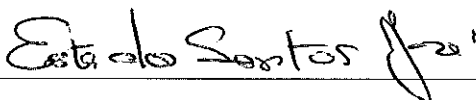
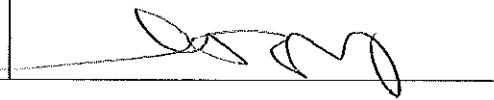
# 1 Intervention at a glance

## 1.1 Intervention form

|                             |  |
|-----------------------------|--|
| Intervention name           | Study and Expertise Fund   |
| Intervention Code           | MOZ1302611   |
| Location                    | Maputo- Mozambique   |
| Budget                      | 3.000.000 EUR - with an initial allocation of 750.000 EUR  |
| Partner Institution         | Ministry of Economy & Finances – which replaces the former MPD – Ministry for Planning and Development   |
| Date of Specific Agreement  | 12 <sup>th</sup> Dec 2014 – only started in March 2014 due to institutional changes  |
| End date Specific Agreement | 12 <sup>th</sup> Dec 2020  |
| Objective                   | Contributing to capacity Development of Mozambican institutions in the sectors of Agriculture/Food Security, Energy for Rural development and Health |

## 1.2 Budget execution

| Total Budget | Expenditure year N | Balance | Total Disbursement rate |
|--------------|--------------------|---------|-------------------------|
| 750.000 EUR  | 31.851             | 718.149 | 4%                      |

| National execution official <sup>1</sup><br>Dra. Ester Santos                       | BTC execution official <sup>2</sup><br>Mamunune Nordine Agy                          |
|---|--|
|  |  |

<sup>1</sup> Name and Signature

<sup>2</sup> Name and Signature

## 2 Context

### 2.1 General context

*Mozambique had general/presidential elections in 2014 and therefore a new Government was created in the beginning of 2015, which resulted in some structural/ Institutional changes within the Mozambican Government, particularly the merging of the former Ministry of Planning and Development (MPD) with the Ministry of Finances into the Ministry of Economy and Finances . This change made it extremely difficult to start the activities of the Fund in 2015 as planned at the beginning of last year.*

*After several meetings and clarifications the project was anchored in June 2015 at the National Directorate for Investments and Cooperation and therefore its Deputy Director Mrs. Ester dos Santos Jose was designated as the Coordinator of the Fund. In December 2015 Mr Domingos Lambo The Permanent Secretary of the Ministry of Economy and Finances informed BTC through an official letter (n°007/SP/MEF/2015) from 29<sup>th</sup> December that the Fund will be anchored at the National Directorate of Economic and Financial Studies and therefore the head of this National Directorate will be the Fund Coordinator.*

*Due to the above mentioned changes it was not possible to approve and implement the workplan as scheduled. Nevertheless, the project Manager recruited by BTC managed to elaborate the project Procedures Manual and a Template for the submissions of proposals/requests for funding. He also produced a project Flyer, which are now in the process of distribution and dissemination under the coordination of the newly appointed Fund Coordinator.*

*A steering committee meeting took place in June 2015 and approved 1 study referring the update and improvement of the ODA MOZ data base. The meeting also assessed a proposal from the Revenue Authority regarding a study to evaluate the impact of IEC activities regarding Taxes collection/payment. This proposal was however not approved because the JLCB members found it not very clear and also very expensive. Therefore the JLCB meeting recommended the Coordination team to seek for further clarifications from the beneficiary.*



## 2.2 Management context: execution modalities

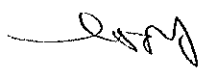
*The project execution modality is Regis as upon agreed with the partner and this seems to be the most appropriate modality.*

*Based on the problems faced by the Ministry in anchoring the project coordination as above-mentioned would have seriously affected its financial management..*

## 2.3 Harmo-context

The fact that the formulation of this project took place just before the general/Presidential elections and that the formulation team assumed that the government structure would remain the same has resulted in a selection of a partner, who does no longer exist (MPD). This has forced the government to make last minute arrangements in order to accommodate/anchor the project within the newly created Ministry for Economy and Finances. Those changes have of course affected the ownership of the project by the government officials who are currently in charge of its implementation.

On the other hand, the above-mentioned changes have forced BTC to spend lots of energy and time explaining again and again to the new officials what is the Fund and how it must be operated, this resulting in further delays in the start / implementation of the intervention.



### 3 Analysis of progress made

#### 3.1 Studies

##### 3.1.1 Progress of studies

| Progress of studies <sup>3</sup>   | A | B | C | D | Comments (only if the value is C or D)              |
|--|---|---|---|---|---|
| 1 ODA MOZ – Database (supply of Hardware, Software & training)                             |   | X |   |   |   |
| 2 AT- Autoridade Tributaria ( evaluation of IEC Activities referring the Taxes Collection) |   |   | X |   | Pending clarification and budget revision/reduction |
| 3 SETSAN – Reduction of Food Insecurity in 4 provinces/                                    |   | X |   |   | To be assessed/approved in the next JLCB meeting    |
| 4 Ministry for Gender/ Children and Social Affairs   |   | X |   |   | To be assessed/approved in the next JLCB meeting    |
| 5 RERD Project –FUNAE  |   |   |   | X | Expression of interest - proposal not yet presented |
| 6 MISAU DAF  |   |   |   | X | Expression of interest - proposal not yet presented |
| 7 DPS Tele   |   |   |   | X | Expression of interest                              |
| 8 MISAU HR   |   |   |   | X | Expression of interest                              |

##### 3.1.2 Analysis of studies completed

No Study has been completed

|   |  |
|---|--|
| <b>Title of study:</b>  |  |
| <i>Describe, in a few sentences, for who the study was organised, and what it was about</i>   |  |
| <i>Have the studies been used as intended?</i>  |  |
| <i>To what did the study contribute?</i>  |  |
| <i>Issues that arose, influencing factors (positive or negative)? Unexpected results (positive or negative)? How did they impact the study or the use of the study?</i> |  |

<sup>3</sup> A: Ahead of schedule  
 B: On schedule  
 C: Delayed, corrective measures are required.  
 D: Seriously delayed (more than 6 months). Substantial corrective measures are required.

### 3.2 Expertise

#### 3.2.1 Progress of expertise

Not yet applicable

| Progress of expertise <sup>4</sup> | A | B | C | D | Comments (only if the value is C or D) |
|------------------------------------|---|---|---|---|--|
| 1                                  |   |   |   |   |  |
| 2                                  |   |   |   |   |  |
| 3                                  |   |   |   |   |  |
| 4                                  |   |   |   |   |  |
| 5                                  |   |   |   |   |  |


#### 3.2.2 Analysis of expertise

Not yet applicable

|  |  |
|--|--|
| <b>Title of expertise – name of expert:</b>  |  |
| <i>Describe, in a few sentences, what the expertise is/was about</i>   |  |
| <i>To what extent is the expertise delivering results?</i>   |  |
| <i>To what has the expertise contributed?</i>  |  |
| <i>Issues that arose, influencing factors (positive or negative)? Unexpected results (positive or negative)? How did these impact the expertise and the result of this expertise</i> |  |

### 3.3 Budget execution

<sup>4</sup> A: Expertise completed in year N  
B: Expertise ongoing  
C: Expertise in preparatory phase: preparation going as planned (writing ToR, procurement procedure, etc.)  
D: Expertise planned but delayed





### 3.4 Quality criteria

| Criteria      | Score |
|---------------|-------|
| Relevance     | A     |
| Efficiency    | D *   |
| Effectiveness | D *   |

\* Even though the project implementation has not yet started and it is therefore not possible to assess its efficiency and effectiveness, this rating is based on the delays caused mainly by the changes in the coordination of the Fund



### 3.5 Risk management

| Risk Identification   |                          |               | Risk analysis |   |                    | Risk Treatment   |                      |          | Follow-up of risks |        |
|---|--------------------------|---------------|---------------|---|--------------------|--|----------------------|----------|--------------------|--------|
| Description of Risk   | Period of identification | Risk category | Probability   | Potential Impact  | Total <sup>5</sup> | Action(s)  | Resp.                | Deadline | Progress           | Status |
| Problems in anchoring the project within the new Ministry of Economy and Finances after the extinction of MPD | Jan 15                   | High          | High          | Low implementation rate                                     |                    | Proactive conversations/negotiations with Ministry of Economy and Finances | BTC/ Project Manager | Q1 2016  | ongoing            |        |
| Lack of information by potential beneficiaries  | Jan 2015                 | High          | High          | No proposals/requests for funding                           |                    | Elaboration of Procedures Manual and Flyers                                | BTC/Project Manager  | May 2015 | Done               | closed |
| Poor ToRs sent by potential beneficiaries   | Jan 2015                 | High          | High          | Difficult to do the procurement – Tender /award the studies |                    | Elaboration of a template for the submission of requests                   | BTC/ Project Manager | May 2015 | Done               | closed |

5

|                  |             |     |        |      |
|------------------|-------------|-----|--------|------|
|                  | High        | B   | C      | D    |
|                  | Medium      | A   | B      | C    |
|                  | Low         | A   | A      | B    |
|                  |             | Low | Medium | High |
| Potential Impact | Probability |     |        |      |

## 4 Steering and Learning

### 4.1 Recommendations

| Recommendations  | Source   | Actor  | Deadline                                 |
|--|--|--|--|
| <i>Description of the recommendation</i>   | <i>The sub-chapter to which the recommendation refers (e.g. 3.2.3)</i> | <i>The person responsible for recommendation</i> | <i>e.g. Q1, Q2, Q3 or Q4 of year N+1</i> |
| Proactive discussions/negotiations with the Ministry of Economy and Finances to take final decision regarding anchoring of the project | 2.3  | Representation/<br>Project Manager               | Q1 - 2016                                |
| Urge the Ministry to designate the new Fund Coordinator  | 2.3  | BTC  | Q1 - 2016                                |
| Initiate Procurement process   | 3.1  | Project<br>Manager/<br>Coordinator               | Q1 - 2016                                |

### 4.2 Lessons Learned

| Lessons learned   | Target audience  |
|---|--|
| Description of the lesson learned.  | The audience that may be interested in the lesson learned. |
| Formulation of projects during electoral process and before setting of new government cabinet can lead to selection of partner institution which can be extinguished (expl: MPD)  | BTC HQ - EST   |
| Selection of partner institution should be based on objective criteria and after proper assessment of its managing/ implementing capacity (selection of former MPD as partner institution was based on perceptions of some members of the formulation team) | DGCD   |

# 5 Annexes

## 5.1 "Budget versus current (y - m)" Report

### Budget vs Actuals (Year to Month) of MOZ1302611

Project Title : **Fund for Capacity Building**

Budget Version: **C01**  
 Currency: **EUR**  
 YtM: **Report includes all closed transactions until the end date of the chosen closing**

Year to month : **31/12/2015**

|   | Status | Fin Mode | Amount              | Start to 2014 | Expenses 2015    | Total            | Balance             | % Excc    |
|---|--------|----------|---------------------|---------------|------------------|------------------|---------------------|-----------|
| <b>A INSTITUTIONAL AND ORGANISATIONAL CAPACITY BUILDING</b>   |        |          | <b>2,037,880.00</b> | <b>0.00</b>   | <b>61.75</b>     | <b>61.75</b>     | <b>2,037,818.25</b> | <b>0%</b> |
| 01 Study and Expertise Fund set up and procedures drawn       |        |          | 35,000.00           | 0.00          | 60.82            | 60.82            | 34,939.18           | 0%        |
| 01 Elaboration of an operational procedures manual            |        | REGIE    | 5,000.00            | 0.00          | 0.00             | 0.00             | 5,000.00            | 0%        |
| 02 Promotion and communication                                |        | REGIE    | 30,000.00           | 0.00          | 60.82            | 60.82            | 29,939.18           | 0%        |
| 02 Needs from meetings and identified and requests are        |        | REGIE    | 1,800.00            | 0.00          | 0.93             | 0.93             | 1,799.07            | 0%        |
| 01 Six-monthly meetings with key institutions                 |        | REGIE    | 0.00                | 0.00          | 0.00             | 0.00             | 1,800.00            | 0%        |
| 02 Support to the formulation of proposals                    |        | REGIE    | 0.00                | 0.00          | 0.00             | 0.00             | 0.00                | 7%        |
| 03 Set-up of a system for processing requests                 |        | REGIE    | 0.00                | 0.00          | 0.93             | 0.93             | -0.93               | 7%        |
| 03 Activities are implemented through various modalities      |        | REGIE    | 2,000,880.00        | 0.00          | 0.00             | 0.00             | 2,000,880.00        | 0%        |
| 01 Finalisation of ToR and set-up of an implementation        |        | REGIE    | 0.00                | 0.00          | 0.00             | 0.00             | 0.00                | 7%        |
| 02 ODA MOZ- Procedures Manual; Training and Consultant        |        | REGIE    | 80,000.00           | 0.00          | 0.00             | 0.00             | 80,000.00           | 0%        |
| 03 Impact Assessment - Communication Strategy/Activities to   |        | REGIE    | 160,000.00          | 0.00          | 0.00             | 0.00             | 160,000.00          | 0%        |
| 04 Long term technical expertise - Recruitment of 2 Technical |        | REGIE    | 800,880.00          | 0.00          | 0.00             | 0.00             | 800,880.00          | 0%        |
| 05 Consultancies MINAG - DE - different studies and           |        | REGIE    | 200,000.00          | 0.00          | 0.00             | 0.00             | 200,000.00          | 0%        |
| 06 Consultancies/Studies for SETSAN                           |        | REGIE    | 200,000.00          | 0.00          | 0.00             | 0.00             | 200,000.00          | 0%        |
| 07 Feasibility study on climate financing for sustainable     |        | REGIE    | 200,000.00          | 0.00          | 0.00             | 0.00             | 200,000.00          | 0%        |
| 08 Gender disaggregated data and planning - MIMAS (with UN    |        | REGIE    | 280,000.00          | 0.00          | 0.00             | 0.00             | 280,000.00          | 0%        |
| 09 Impact of the Rural Families Schools in Mozambique (10     |        | REGIE    | 80,000.00           | 0.00          | 0.00             | 0.00             | 80,000.00           | 0%        |
| 10 Monitoring and resolution of bottlenecks                   |        | REGIE    | 0.00                | 0.00          | 0.00             | 0.00             | 0.00                | 7%        |
| <b>X CONTINGENCES</b>   |        |          | <b>96,820.00</b>    | <b>0.00</b>   | <b>0.00</b>      | <b>0.00</b>      | <b>96,820.00</b>    | <b>0%</b> |
| 01 Subsidiary reserve   |        | REGIE    | 96,820.00           | 0.00          | 0.00             | 0.00             | 96,820.00           | 0%        |
| 01 Contingencies  |        | REGIE    | 96,820.00           | 0.00          | 0.00             | 0.00             | 96,820.00           | 0%        |
|   |        | REGIE    | 2,600,000.00        | 0.00          | 31,851.72        | 31,851.72        | 2,568,148.28        | 1%        |
|   |        | COGEST   |                     |               |                  |                  |                     |           |
| <b>TOTAL</b>  |        |          | <b>2,600,000.00</b> | <b>0.00</b>   | <b>31,851.72</b> | <b>31,851.72</b> | <b>2,568,148.28</b> | <b>1%</b> |



**Budget vs Actuals (Year to Month) of MOZ1302611**

Project Title : **Fund for Capacity Building**

FCB

Budget Version: **C01**

Currency: **EUR**

Y/M : **31/12/2015**

Year to month : **31/12/2015**

**Report includes all closed transactions until the end date of the chosen closing**

| Z GENERAL MEANS                                       | Status | Fin Mode | Amount              | Start to 2014 | Expend. 2015     | Total            | Balance             | % Exec    |
|---|--------|----------|---------------------|---------------|------------------|------------------|---------------------|-----------|
| 01 Selection  |        |          | 465.000,00          | 0,00          | 31.789,97        | 31.789,97        | 433.210,03          | 7%        |
| 01 Project manager                                    | REGIE  |          | 300.000,00          | 0,00          | 28.349,57        | 28.349,57        | 271.650,43          | 9%        |
| 02 National coordinator (half time)                   | REGIE  |          | 258.000,00          | 0,00          | 24.566,54        | 24.566,54        | 233.433,46          | 10%       |
| 03 Administrative and financial assistant             | REGIE  |          | 102.000,00          | 0,00          | 0,00             | 0,00             | 0,00                | 0%        |
| 03 Investments  | REGIE  |          | 7.500,00            | 0,00          | 3.783,03         | 3.783,03         | 3.716,22            | 5%        |
| 01 Desk supplies                                      | REGIE  |          | 2.500,00            | 0,00          | 0,00             | 0,00             | 2.500,00            | 0%        |
| 02 ICT Equipment                                      | REGIE  |          | 5.000,00            | 0,00          | 2.716,22         | 2.716,22         | 2.283,78            | 54%       |
| 03 Running costs                                      | REGIE  |          | 44.000,00           | 0,00          | 790,03           | 790,03           | 43.209,97           | 1%        |
| 01 Fuel for MPD vehicle and taxi transport in Maspito | REGIE  |          | 12.000,00           | 0,00          | 0,00             | 0,00             | 12.000,00           | 0%        |
| 02 Telecommunication costs                            | REGIE  |          | 12.000,00           | 0,00          | 404,33           | 404,33           | 11.595,67           | 3%        |
| 03 Field Missions in Mozambique                       | REGIE  |          | 15.000,00           | 0,00          | 0,00             | 0,00             | 15.000,00           | 0%        |
| 04 Training of the project manager                    | REGIE  |          | 5.000,00            | 0,00          | 295,70           | 295,70           | 4.704,30            | 6%        |
| 04 Audit, Monitoring and Evaluation                   | REGIE  |          | 34.000,00           | 0,00          | 24,15            | 24,15            | 33.975,85           | 0%        |
| 01 Monitoring and evaluation costs                    | REGIE  |          | 40.000,00           | 0,00          | 24,15            | 24,15            | 39.975,85           | 0%        |
| 02 Audits   | REGIE  |          | 10.000,00           | 0,00          | 0,00             | 0,00             | 10.000,00           | 0%        |
| 03 Backstopping                                       | REGIE  |          | 4.000,00            | 0,00          | 0,00             | 0,00             | 4.000,00            | 0%        |
| 99 Conversion rate adjustment                         | REGIE  |          | 0,00                | 0,00          | 0,00             | 0,00             | 0,00                | 0%        |
| 93 Conversion rate adjustment                         | REGIE  |          | 0,00                | 0,00          | 0,00             | 0,00             | 0,00                | 0%        |
| <b>TOTAL</b>  |        |          | <b>2.600.000,00</b> | <b>0,00</b>   | <b>31.851,72</b> | <b>31.851,72</b> | <b>2.568.148,28</b> | <b>1%</b> |



*Handwritten signature or initials in the top right corner.*

*Small handwritten mark or signature at the bottom right.*

## 5.2 Decisions taken by the JLCB and follow-up

| Decision to take   |                          | Action             |              |                                    |   |                                    | Followup |          |  |
|--|--------------------------|--------------------|--------------|------------------------------------|---|------------------------------------|----------|----------|--|
| Decision to take   | Period of identification | Timing             | Source       | Actor                              | Action(s)   | Resp.                              | Deadline | Progress | Status   |
| Approval of ODA MOZ study  | June 2015                | Q3 2015            | JLCB Minutes | Coordination Team/ Project Manager | Prepare Tender and launch Procurement                 | Project Manager/ Coordination Team | Mar 2016 | ongoing  | To be launched in Q 1 - 20016                            |
| Reassess/ re- evaluate the proposal from Autoridade Tributaria                           | June 2015                | Q3 2015            | JLCB Minutes | Coordination Team                  | Reassess relevance of the study and reduce the budget | Coordination Team                  | Dec 2015 | On hold  | To be done after designation of the new Fund Coordinator |
| Disseminate information about the Fund (Distribution of the Procedures Manual and Flyer) | June 2015                | Througout the year | JLCB Minutes | Coordination Team                  | Distribute project Manual and Flyer                   | Coordinator/project Manager        |          | ongoing  | To be initiated in Q1                                    |