

« FICHE CONTRADICTOIRE »

Evaluation of the Commission's support to the Republic of Mozambique

(*For details on the recommendations please refer to the main report)

Recommendations	Response of Commission services	Follow-up (one year later)
<p>1. EC, as a major donor in the justice sector, should play a strategic coordination role in involving other donors and stimulating policy dialogue on justice reform.</p>	<p>Accepted, although it is worth mentioning that the EC to some extent already plays this role, having e.g. chaired the justice and legality donor coordinating group. The 9th EDF justice sector programme was a pilot programme and experience/lessons learnt will be relevant for continuation of support under the 10th EDF with a clear intention to improve dialogue and coordination in the sector (with possible later move to SWAP). Whether the EC will in play a major strategic coordinating role depends, however, on the ongoing discussions on division of labour/aid effectiveness amongst donors.</p>	
<p>2. The Commission should increase the support to an 'envisaged model' of democratic decentralization, since it is crucial for the development process. Decentralization should be considered as a cross-cutting issue in future EC portfolios.</p>	<p>Accepted. Decentralisation is a key area of Gov policy, supported by donors. It is an element of the PAF (GBS), hence discussed and encouraged by donors in discussions with Government. Furthermore it will be an issue under 10th EDF in particular in focal sector Agriculture/rural development, but will be considered also in other sectors where appropriate/feasible.</p>	
<p>3. Continue moves towards increasing proportions of General Budget Support and Sector Budget Support (SBS) and consider increased co-financing and use of common funds for future EC support portfolio.</p>	<p>Accepted. In the 10th EDF CSP/NIP, General and Sector Budget Support account for approx. 80% of the total envelope, representing an increase as compared to 9th EDF. However, to go beyond this level is not advisable given the need for project support in some cases in the specific country environment, notably NSA support or risk related to specific transport projects. In addition, with an estimated 54% of the national budget covered by donors, it is important not to further increase aid dependency.</p>	

<p>4. The EC should support the Government of Mozambique in the preparation of a national capacity development policy covering, inter alia, institutional structures, human resources development, training needs analysis, pensions and health.</p>	<p>Accepted. The EC strongly agrees that it is a major challenge for the future, and will pursue its efforts started at sector level as a national cross cutting issue, as well as in more horizontal areas such as PFM.</p>	
<p><i>Macroeconomics</i></p> <p>5. Support Government of Mozambique (GoM) in a process of how to achieve growth with equity. GBS in Mozambique is aimed to support the government poverty reduction programme and the improvement of the living conditions. This has been partly achieved; however, efforts are mainly targeted to increase service delivery to poor (health, education, water, etc.) without having a real strategy for promoting economic growth for the poorer and especially for the rural population. Whilst the overall economic growth is satisfactory, especially in telecommunication</p>	<p>Accepted. This is a primary objective of PARPA II and supported by donors including EC. It is expected that the revision of the PARPAII scheduled in 2008 should consider promoting economic growth for pro poor people. Besides, the 10th EDF CSP/NIP focuses on pro poor economic growth since, in addition to GBS, the 2 focal sectors (agriculture/rural development and infrastructures) are pillars of economic growth.</p>	
<p><i>Food Security and Rural Development</i></p> <p>6. Continue to support institutional reforms of the agricultural and food-security sector, but give specific attention to training and capacity development at provincial and district levels. Advocate more dialogue with the private sector, especially in rural development and income generation.</p>	<p>Agreed in terms of emphasis and foreseen under 10th EDF. Adequate attention should continue to be given to bottlenecks at central level (e.g. functioning SETSAN) and to adequate investments in core public goods, e.g. agricultural research.</p> <p>Dialogue with private sector is essential – it should lead to improved public-private cooperation and business-alliances. It should also lead to the involvement of the private sector in service delivery, building on -and where necessary creating- its comparative advantage.</p> <p>Associations of producers, commercial farmers and private companies are already supported through the sugar budget line and food security budget line.</p>	

<p>7. EC should institute the practice of regional delegations meeting regularly to address regional issues; that national delegations join the debate on regional integration; and that budget lines are provided to allow for this to happen.</p>	<p>Meeting regularly is not an objective in its own right, it should serve a purpose. The purpose should be 'the facilitation of regional integration in terms of agriculture and food security'. As such the meetings should link in with developments in SADC and COMESA (and possibly EAC) and lead to concrete and well-coordinated interventions at national and regional level.</p>	
<p>Transport</p> <p>8. In dialogue with other road sector partners and GoM advocate greater attention to real delegation of powers and responsibility to provincial levels for maintenance programming and works.</p>	<p>Delegation of powers to provincial levels should be seen in the broader context of decentralization policy and strategy. The sector dialogue should focus primarily on the regulatory framework to assess if the legal bases for the decentralization process are in place and only at a later stage to the operational aspects which will presumably require donor support through a capacity building component. One of the specific objectives of the 10th EDF NIP for transport is institutional support to strengthen the responsible agencies (ANE and FE) at central and provincial levels.</p>	
<p>9. Complete current and planned capital works support. For further investment consider prioritization of support to backlog maintenance before further capital investment.</p>	<p>Agreed: Under the 10th EDF NIP are foreseen both intervention of supporting the assets preservation of the existing road network through SBS and supporting specific priority capital investment on a project basis.</p>	
<p>10. In dialogue with road sector partners and GoM EC should advocate urgent preparation of policies and strategies for unclassified roads. Continue (through SWAP and SBS) support to rural-based small scale 'spot improvement' works with emphasis on drainage structures and small bridges in rural areas of all provinces.</p>	<p>Partly agreed: In the context of SBS, support could (in theory) be focussed on rural access by considering rural roads as a sub-sector. Anyway, the specific emphasis on drainage structures and small bridges does not appear compatible with SBS operations.</p>	
<p>Health</p> <p>11. Health should be maintained as a non-focal sector with a similar amount of funding as in previous EDFs. The decision to join the</p>	<p>Accepted. Health remains non-focal sector under the 10thEDF. The Delegation is active in the technical working group supporting the Government to move</p>	

<p>CNCS (National Council for the Fight against HIV/AIDS) common fund is endorsed under the condition that it is used as a means to actively assist in the enhancement of the absorption capacity. EC should continue its active participation in the health SWAP and common fund. The decision to abandon project-based support is fully endorsed.</p>	<p>forward to SWAP.</p>	
<p><i>Non-State Actors</i></p> <p>12. In support to an envisaged model of democratic decentralization EC should consider interventions for strengthening NSA involvement at local level (e.g. Conselhos Locais) - the new support programme to Non-State Actors in Mozambique could be an adequate mechanism to support these interventions.</p>	<p>Accepted.</p>	