

Country Portfolio Performance Review (CPPR) September 16-17, 2008

World Bank, Ministry of Ministry of Planning & Development and Other Oversight and Implementing Ministries

Introduction and Summary

This Aide Memoire summarizes the discussion and outcomes reached at the 2008 Country Portfolio Performance Review (CPPR) for Mozambique, which was held on September 16-17, 2008 and co-chaired by the Ministry of Planning & Development and the World Bank.

The CPPR is one of the World Bank's instruments to monitor and manage the portfolio performance of the Bank-financed portfolio in client countries. The key objective of the CPPR meeting is to identify and seek to resolve issues of concern across all projects. It also provides an opportunity to discuss issues that relate to the performance of specific projects.

In Mozambique, the CPPR is now held twice a year, with an annual CPPR that includes plenary sessions and discusses the entire portfolio, and a mini-CPPR, last held in March 2008 to discuss a select group of projects.

Key follow-up actions that were agreed at the 2008 CPPR were that MPD and the World Bank would:

- jointly conduct more coordinated, regular, and systematic monitoring of the portfolio by meeting with the project teams every six months in addition to the CPPR meetings;
- focus on improving the one project in problem status, HIV/AIDS Response, and the Public Sector Reform and Communications Sector Reform projects that close next year.

Summaries of the specific project issues and the respective agreed-upon actions that were discussed during the CPPR are elaborated in the Annex 1, with highlights noted below.

Portfolio Overview

A presentation made by the World Bank provided an overview of the Mozambique portfolio (see Annex 5). As of mid-September 2008, there were 18 investment projects representing a total of US\$853 million in net commitments. The overall performance of the portfolio has improved since the last CPPR with the number of problem projects reduced from three (Public Sector Reform, Energy Reform and Access, and Smallholder Development in the Zambezi Valley) to one, the HIV/AIDS Response project. The overall performance of the portfolio influences the amount of IDA resources available to Mozambique.

The presentation also discussed the pipeline projects for the period 2009-10, specific project successes, and the cross-cutting issues identified in the preparation meetings with the project teams, as well as an updated Traffic Light Monitoring table (see Annex 2). It also outlined the cross-cutting issues identified including the need for stronger ownership, more harmonized donor procedures, addressing recruitment and retention problems, and capacity building for financial management, disbursement and procurement, and monitoring and evaluation.

Project Specific Issues

The Ministry of Planning and Development and the World Bank met with each of the project teams to prepare for CPPR (see Annex 8 for questionnaire template). The World Bank teams prepared meeting notes highlighting specific project successes and issues that need more attention. Following the CPPR discussion, these summaries have been subsequently updated to reflect discussions at the meeting and the follow-up actions (see Annex 1).

The key projects requiring more attention by both the Ministry of Planning and Development and the Bank are highlighted below:

- ***HIV/AIDS Response Project:*** The project has reverted to problem status just after one year of graduating from unsatisfactory to satisfactory performance. Progress in the main components of the project slowed down during last year and the first half of 2008. This is compounded by declining staff retention at the implementing agency, CNCS. The project will close in December 2009, but still has \$26 million to disburse (39% of total grant amount). During the CPPR discussions, both World Bank and government participants emphasized the importance of the project in the fight against HIV/AIDS, the project is linked to the fight against HIV in other sectors and projects, such as Pro Maputo which risks achieving its own goals when the HIV Response Project slows down. The next supervision mission will assess the possibility of restructuring the project.
- ***Communications Sector Reform Project:*** The project closing date had been extended to June 30, 2009 to allow for successful completion of the remaining activities. However, speed and quality of implementation and project management issues are a real concern. There are \$2 million unallocated in the project, and the Bank has suggested to government that these funds be cancelled. To ensure successful completion of the project, it is important that the executing ministry, Ministry of Transport and Communication, implement an action plan for the remaining activities.
- ***Public Sector Reform Project:*** Overall the rate of project implementation has improved, and the project was upgraded from unsatisfactory moderately satisfactory performance mid-year 2009. However, the implementation of the

legal component is still an area for concern and it is important to make progress in this component to ensure successful project completion by the end of 2009. It is expected that the hiring of extra staff to deal with the legal component will improve the progress in this component.

Cross Cutting Issues

During the project specific discussions, several cross-cutting issues were raised and are summarized below. Several of these cross-cutting themes were the same as those identified at the last CPPR in 2007 (e.g., implementation capacity and poor incentive framework). These problems are often complex and go to the core of the development challenge and thus take significant time and effort to address successfully. Through this CPPR and other regular portfolio review opportunities, it is anticipated that MPD and the other oversight agencies will gain a better understanding of these cross-cutting issues so as to be able to address them more effectively.

Ownership: A strong level of project ownership and commitment is reflected in the performance of a project, and is a prerequisite for successful project implementation as evidenced in the National Water Development Project II and ProMaputo for example. Access to high-level decision makers ensures that critical issues are more easily resolved and keeps the focus on strong project implementation.

Implementation Capacity: There is a need to build up capacity in procurement, financial management and disbursement, as well as ability to conduct social and environmental assessments. This can be achieved with more specific training and systematic clinics to ensure that start-up project implementing units become familiar with Bank procedures and allow project staff to keep on developing their skills. It is important to always undertake an assessment of the capacity to identify correctly the training needs. Another important aspect for training is greater reliance on training material in Portuguese.

Financial Management: Financial management reports are not prepared in a timely fashion and can have negative consequences on the overall portfolio including delays in the approval of new projects. It is important to focus on financial management to ensure all fiduciary requisites are met and to allow for good management of the overall project activities. For example, the Public Sector Reform Project did not have sufficient funds to finance an activity that had been planned in advance. It is expected that with more targeted training in this area the incidence of late reports will be reduced.

Procurement: Several projects face serious deficiencies in procurement. In addition, some projects also experience issues with procurement evaluations. It is a challenge to find qualified people to participate in evaluation committees due to lack of incentives. It is important that both the Ministry of Planning and

Development and the Bank consider alternatives to correct this problem, including appropriate incentives to evaluators.

Donor Harmonization: The challenges in dealing with multiple donors can overwhelm some project teams with different requirements for routine procedures, such as reporting. The Bank is working with other development partners to harmonize donor procedures as much as possible to ease this strain.

Follow-up Action

The CPPR meeting agreed to continue with regular joint project review meetings, at least every six months. The Traffic Light monitoring table will continue to be updated to promote the move for the “green revolution” as project teams strive to improve and maintain a good performance. The key is to focus on the issues constraining implementation before the projects become problem projects.

Annexes:

Annex 1. Individual Project Issues and Follow up Actions

Annex 2. Traffic Light Project Monitoring Table

Annex 3. September 16-17, 2008 CPPR Agenda

Annex 4. List of CPPR Participants

Annex 5. Presentation by the Country Portfolio Manager, World Bank (Overview Presentation)

Annex 6. Presentation by the Director of Investment and Cooperation, Ministry of Planning and Development (Progress since the 2007 CPPR)

Annex 7. Presentation by the Senior Financial Management Specialist, World Bank (Moving Projects on-CUT)

Annex 8. Questionnaire template for the CPPR preparation meetings

Annex 9. CPPR preparation meeting notes updated following CPPR

CPPR 2008

Notes on Project

1. Communication Sector Reform

- **Status of Project Implementation**

- The project continues to meet its development objectives, as evidenced in particular by the continuing growth in teledensity.
- The project closing date was extended by 18-months to June 30, 2009 to allow for successful completion of remaining key activities under the project.
- The speed and quality of implementation and project management issues are a real concern.
- There are \$2m unallocated in the project, the WB has suggested to government that these funds be cancelled.

- **Operational Issues**

- Performance since extension of the project has not been satisfactory:
 - Limited high level attention on the telecommunications sector
 - Inadequate progress and follow-up of project activities, and project monitoring by INCM, IACM and UGPTC
 - Issues with project management staffing, and inadequate follow-up at PIU
 - Continued lack of performance may lead to downgrading of project
- No information and/or requests have been received regarding the remaining financing of \$2 million; WB recommends that no major activities be started.

- **Follow-up Actions**

- The government will consider priorities for the use of the remaining \$2 million and may request a reallocation of resources (by the end of September 2008).
- The project and Bank team to agree on action plan for the remaining activities until project closure in 2009.

2. Water Services and Institutional Support

• Status of Project Implementation

- The project became effective in March 2008 and has been operating only 6 months as of this CPPR.
- There will be a supervision mission the first week of December 2008.

• Operational Issues

- Lower level of disbursements than expected for following reasons:
 - For Part A of the project - FIPAG and the 4 cities works: i) the main contractors (representing 100% of project outcomes for component A have been slow in providing invoices even though design work on the new networks is advanced; and ii) initial mix-up in disbursements between the IDA credit and ACGF grant (majority of works under the credit are to be funded under the ACGF grant and not the Credit). IDA is expected to be very slow in the next 18 months.
 - For Part B of the project - DNA has been slow in several key procurements with respect to setting up the AMU/PWBs (representing the major of Project outcomes for component B); the main study for this is now launched and progress should be steady over the next 8 months.
 - The majority of disbursements under DNA are for the establishment of the AMU, PWBs and operating costs once services are re-organized are to be provided by this new institutional set-up; it is unlikely that disbursements for DNA and CRA (Part C) will be large until these institutional are set up.

• Actions to Improve Performance

- FIPAG: once the grant and credit sources of funds are sorted out and the contractor begins to submit regular invoices, there is likely no further action required; FIPAG is familiar with Bank processes.
- DNA and CRA Performance:
 - CRA acts as the procurement and financial management agent for DNA as well as itself.
 - DNA provides the technical input but CRA does the processing as CRA had gained extensive experience of procurement and financial under National Water Development Project II.
 - This system will need to be monitored to see if it is working as well as expected and achieving the desired results.

• Follow-up Actions

- Possible amendment to expand scope of project, if no new quantities of work can be added to ACGF.

3. HIV/AIDS Response

- **Status of Project Implementation**

- The project is in a problem status just after one year of graduating from unsatisfactory to satisfactory
- Progress in main components of the project slowed down during last year and first half of 2008
- Project closes in 15 months; \$26 million remains undisbursed (39% of total grant amount)
- The transformation of CNCS into the leading agency to coordinate national efforts to control the spread of HIV/AIDS as opposed to a grant making agency suffered a major setback because of the cancellation of the grant management agency contract
- Institutionally CNCS has been weakened by the continuous exodus of key experienced staff

- **Operational Issues**

- Retention of staff: CNCS considering some options including the harmonization of salaries within the civil service
- Contracting of intermediary for private sector component underway
- Disbursement for public and private sector are up slightly
- Lack of capacity for procurement and financial management within
 - o WB suggested that CNCS attend participate in the upcoming procurement course for new projects
- Financial management issues:
 - o CNCS experiencing problems with Sistafe
 - o CNCS to meet with MoF on the use of CUT and implementing partners
- Public sector component:
 - o CNCS's lack of disbursement is affecting other public agencies and in particular the Maputo Municipality (ProMaputo project)

- **Follow-up Actions**

- Disbursement to increase by the end of 2008

4. Technical and Vocational Education and Training (TVET)

- **Status of Project Implementation**

- \$30m IDA, \$7m Netherlands, closing in October 2011
- Strong government political commitment
- Strong donor support through co-financing and parallel financing
- FUNDEC provides competitive fund for training; successful projects in fishery and carpentry
- Development of Qualifications Framework and Competency Based Standards and Curriculum made progress since the appointment of the SQA/EUROSIS firm; a few new courses will start early in 2009

- **Operational Issues**

- Overall implementation/disbursement lag due to initial time taken to establish the Executive Secretariat PIREP, complete designs for rehabilitation, and recruit major consultancies
 - o 33% of fund committed
 - o Mid-year review planned for March 2009 to consider possible project extension
- Government budget for COREP/PIREP operation and maintenance of pilot institutions being rehabilitated not yet provided for
 - o Government asked to prioritize this issue; maintenance budget needed from 2010
 - o Risk is that assets will deteriorate
- Overall budget shortfall to cover all rehabilitation and equipment needs of pilot institutions
 - o MEC looking for other financing partners
- Issues raised at the 2007 audit on Bank reconciliation of a few FUNDEC projects
 - o Minor issues raised on funds to provincial implementing partners; FMRs from provinces were late

- **Follow-up Actions**

- Collaboration with mega projects to fund TVET institutions

5. Higher Education

• **Status of Project Implementation**

- Project closing June 2009; project has two designated accounts: one for Ministry of Education and Culture (MEC) and the other for Ministry of Science and Technology (MCT)

- Implementation remains satisfactory despite the delay in effectiveness of the additional financing and some confusion in the two designated accounts; achievement of PDO is satisfactory

• **Operational Issues**

- Procurement issues (MEC)
 - Lichinga Resource Center construction delayed; risk construction not complete by project closure

- Counterpart funds
 - Still an issue; outstanding funds should be budgeted to allow for project closure in 2009

- Financial management issues
 - Some issues noted in 2007 audit with regard to provincial scholarship management in Tete and Cabo Delgado
 - Budget overruns in some disbursement categories; request for reallocation should be prepared

- MCT component
 - Through National Research Fund, the project finances competitive and innovative research and innovation grants
 - Slow disbursement and implementation pace; some may be at risk of not completing by June 2009; contracts of the projects awarded this year should be signed as soon as possible
 - Project management fully integrated in the MCT; staff capacity building in monitoring, evaluation, financial management, and procurement remains critical
 - Good example of ownership and delegation by National Director

• **Follow-up Actions**

- Ensure counterpart funds for 2009

6. Roads and Bridges Management and Maintenance 2

• Status of Project Implementation

- Project is implemented by the Road Fund under a Sector Program Approach, “Programa Integrado do Sector de Estradas – PRISE 2007-2009; donors and government are aligned on all project implementation procedures – financing, management and monitoring
- Overall performance is satisfactory; ANE is being restructured; the Road Fund has a strong leadership and coordination between Government and Development Partners is sound

• Operational Issues

- Financial management:
 - Audit Report delayed for more than two months but has now been submitted; Technical Audit Report not also yet submitted
 - Recommendations of audit report need to be implemented
 - Additional financing: \$65 million extra needed to complete project due to 100% increase in price of bids
 - ANE restructuring
 - Procurement capacity declined (lost one staff)
 - There is need for procurement capacity assessment of ANE and capacity building for social and environmental safeguards
 - Pooled Fund
 - Challenge: many details still need to be worked out; need information on how pooled funds are used
 - Review of impact of first phase of the project
 - Road conditions deteriorating; maintenance lacking; poor road safety
- ### **• Follow-up Actions**
- Implementation of recommendations of audit report
 - Possible additional financing

7. Maputo Municipal Development

• Status of Project Implementation

- Overall progress satisfactory; CMM and IDA team conducted a successful Annual Review putting PROMAPUTO on track to meet its objectives by the end of the Program
- The CMM's efforts to improve implementation are notable, and this accelerated pace, active management and leadership need to be maintained
- Results of Phase I need to be achieved in order to begin preparation of Phase II of PROMAPUTO in 2009

• Operational Issues

- Audit Report for year 2007 was not submitted timely; the auditors expressed an unqualified opinion of the Financial Statements; some areas in the system of internal controls and accountability require improvements e.g. the need to update fixed assets schedule regularly
- Repeated errors in withdrawal applications (WA) result in the holding of the WAs and delays disbursement
- The Procurement Department has addressed many of the challenges of the past CPPR and improved performance; this pace needs to be maintained as procurement is a key element for ensuring that the triggers for Phase II are met

• Follow-up Actions

- Financial management and procurement:
 - o CMM will work with IDA supervision team to address the issues raised by the auditors
 - o CMM will take the lessons learned from the 2007 audit procurement to apply for the next audits' procurement and is already working on the procurement for the FY 2008 and 2009 and will ensure contract is signed by end of January 2009
 - o CMM will continue identifying training needs that can be designed and scheduled jointly between CMM and the IDA Procurement team through Procurement Clinics
 - o CMM will continue participating in Procurement Workshop through specialized institutions such as ESAMI to ensure sustainability of the CMM Procurement Team
- Withdrawal Applications:
 - o CMM (Municipal Finance Directorate) will take advantage of the Disbursement Workshop (Sept. 19) and draw an action plan for implementing the learning to ensure improvements of WA and disbursement the weeks ahead
 - o IDA will request more specific training activities from Disbursement office in Pretoria through a field visit by Disbursement Officer to the City Council of Maputo in the coming months

8. Transfrontier Conservation Areas and Tourism Development

• Status of Project Implementation

- Progress in achieving the PDO target indicators for 2007 related to: (i) number of local residents permanently employed in conservation and tourism; and (ii) number of bed nights in tourism facilities in the target districts
- Partnerships with the implementation partners (local and international NGOs) in the field
- Training for staff within the Ministry of Tourism
- Good coordination of activities in the project

• Operational Issues

- Procurement
 - The response time to the Bank's comments or to the evaluation process was found to be long which into extent affect project implementation
 - ICB contracts need to be in English language
 - Project requested procurement visits outside of supervision missions
- There are difficulties in producing FMRs due to lack of compatibility between Excel and PHC; no data for 2006/2007 due to deficient software
 - Procurement underway for new software acquisition
- Other Development Partners active in project (GTZ, USAID, ADB)
 - Need coordinated efforts on activity planning and supervision missions
- Mid-term review taking place next year

• Follow-up Actions

- Revise the financial section of the FMR
- Agree with the Bank on a time schedule to replace the financial management software
- Completion of the audits as soon as possible

9. Market-led Smallholder Development in the Zambezi Valley

• Status of Project Implementation

- PIU mainstreamed in MPD

- Despite delays in launching key elements of the project, both project development objective can still be achieved, provided continuity in the improved performance the project has recently demonstrated; project implementation rating has been upgraded to marginally satisfactory at the end of June 2008

- Further improvements in the overall project ratings are subject to significant progress on the Community-based organizations (CBOs) sub-component, the Community Agricultural and Environmental Investment Fund component (CAIEF), and the GEF activities

- Increased supervision: weekly meetings

- Key issues that have been resolved:
 - The basis for strengthening DNPDR institutional capacity has now been provided through designation by MPD of counterpart staff within DNPDR
 - The project management structure has improved, following the separation of strategic and operational management functions, leading to a more efficient and quicker decision-making process
 - The degree of isolation of first phase project districts has significantly been reduced with the provision of communication equipment, considerably improving the information and knowledge sharing among districts and with the project management
 - The capacity of DNPDR is being strengthened through strategic staffing with the recruitment at the central level of a Procurement Specialist and an M&E Specialist to support with the project implementation
 - The project capacity to operate on the ground has improved through the recruitment of a field-based Natural Resources and Environment Specialist and District Facilitators in all project districts
 - The GEF audit report has been completed (without qualifications) and submitted to the Bank

• Operational Issues

- The Financial Audit for FY07 has yet to be submitted to the WB
 - Impact: Board can delay the review of new operations proposals

- The deployment of field-based project staff needs to be accelerated
 - Key field-based positions: one field-based assistant coordinator; two natural resources technicians
 - Local positions: one accountant, one procurement officer and one M&E specialist for each participating province and for each district

- The upstream processing of activity preparations (e.g. ToRs) and processing of administrative tasks needs to be more efficient
 - o Procurement Specialist and an M&E Specialist now contracted; need for clearer distribution of tasks and responsibilities among project team members
- GEF activities need strong involvement at all levels of MICOA
- Mid-year review 2009
- Discussed mainstreaming HIV/AIDS prevention
- **Follow-up Actions**
 - Undertake the necessary steps to accelerate the launching of the CBO subcomponent, the CAEIF and the GEF activities
 - Review and propose in close collaboration with MoF a modus operandi for the transfer of project funds to beneficiaries under CAEIF Small Scale Agricultural Investment and Natural Resources Management
 - Redefine the key field-based position formerly know as AGT; develop new ToR and recruit
 - Review and finalize the M&E system for the project (results-based M&E framework, baseline)
 - Initiate the request for amending the financing agreement including a reallocation of proceeds by components

10. Energy Reform and Access

• Status of Project Implementation

- Project upgraded from problem status earlier in the year
- All implementing agencies built capacity to monitor and screen socio-environmental aspects
- Procurement capacity improved in all three relevant agencies (ME, EdM and FUNAE)
 - Delays continue to occur during the preparation of evaluation reports, typically because the evaluation committee is made up of senior Ministry staff who are overwhelmed with other commitments
- Strong relationship between FUNAE and the two contractors for the S&I of PV systems in the 'Schools and Clinics' sub-component of Component D; installation and commissioning of the PV systems will be completed in the next two months; MoUs have been signed with the Ministries of Health and Education for operation and maintenance of the PV systems
- New regulatory agency CNELEC has developed a detailed and high-quality strategic plan with specific milestones through 2010; best practice in Africa

• Operational Issues

- Repeated delays in the submission of Financial Management reporting by the implementing agencies
 - ME has experienced problems with retention of FM staff; a new part-time FM specialist has been recruited; Ministry needs to monitor whether additional capacity is required
- Financing gap of \$2.9 million in IDA-financed activities
 - Proposals being considered can reduce financing gap to \$240,000; careful monitoring needed to ensure that cost overruns do not develop in other project activities
- Progress of ERAP important for upcoming projects; need to ensure good pace of implementation
- EdM continues to experience problems with the contractor, ISOLUX, for the IDA-financed contract for grid intensification
 - Risk of non-completion of the contract by the current contract termination date of June 2009

11. Financial Sector Technical Assistance

• Status of Project Implementation

- Overall implementation satisfactory
 - Key outstanding activities, notably the implementation of IFRS in the corporate sector, and the completion of the actuarial study have regained momentum
 - Activities for which there had been little or no activity, a technical workshop held during the supervision mission with all beneficiary institutions discussed and agreed appropriate corrective measures to keep the overall pace of implementation on track

- Outcome of the recent Audit was positive
 - The audit report was received within the period of six months after the end of the period under audit, in accordance with the legal agreement
 - Auditors expressed an unqualified opinion of the Financial Statements and an unqualified (clean) opinion on the Statement of Receipts and Payments and the Special Account

• Operational Issues

- There are a number of components with funds that have not been utilized since the project began:
 - The beneficiary departments are awaiting the passage of legislation
 - The department has been able to undertake the designated activity with their own or alternate funds

- Procurement
 - Evaluation committees are problematic; participation of qualified professionals poor due to time constraints and lack of compensation

• Follow-up Action

- Reallocation of funds: the government use the time between the CPPR and the next supervision mission scheduled for October 13 -17, 2008 to:
 - Review each activity for which there has been no activity for periods in excess of six months to prepare terms of reference for their utilization and submit them for their no objection to the World Bank
 - Indicate which active component the funds should be re-allocated to

12. Public Sector Reform

- **Status of Project Implementation**

- The pace of overall project implementation has improved; project upgraded to moderately satisfactory from problem status
- Legal component lagging behind; the first class of judicial and prosecutorial administrators were trained and assigned to the provinces; number of complimentary activities appear to be underway

- **Operational Issues**

- Communication with UTRESP: need for improved communication between project coordinator and Bank team as project comes to closure (end of 2009)
- Staffing issues: Bank Team expressed its concerns about staffing within the PIU, especially for the legal and judicial reform component; a consultant will shortly be hired by UTRESP to support the implementation of this component
- Deficiencies raised in the recent Financial Audit
 - The recent financial audit of the project raised serious deficiencies which were recognized by UTRESP but are still to be addressed. Financial procedures used by the PIU were especially designed to obtain information that would meet World Bank reporting requirements, but the system was developed at a time when the use of country systems was not strongly emphasized, nor were pooling arrangements fully endorsed.
 - Need for review of UTRESP's accounting system to ensure that the fiduciary requirements of the World Bank, Common Fund and Government are fully harmonized for audit purposes
 - Need for review of lessons learned from the previous audit reports to determine whether adjustments to the current system need to be made so that the minimum fiduciary standards acceptable to all concerned (World Bank, IDPs and Government) are further strengthened
- Salary reform
 - The quality of the analytical work received so far was reviewed by Bank staff and deemed as inadequate largely due to quality of data problems
 - Bank Team still awaits access to the Bank-funded complete report on salary reform analysis
- The e-government activities are uncoordinated with implementing agencies
- Governance baseline information presented by the Government and the Attorney General's Office, on Governance and Anti-corruption has been difficult to measure due the issuance of official data only on an annual basis

- There is an urgent need for regular reporting (quarterly or bi-annually) of anti-corruption data, as well as a greater definition or categorization of the types of cases received/referred and their outcomes
- **Follow-up Actions**
 - Submission by UTRESP of updated activity and procurement plan by the end of October 2008 for Bank review and approval
 - Improving the communication, planning and procurement actions of UTRESP, with special attention to the needs of the Legal and Judicial Component
 - Hiring of new staff by UTRESP to support the implementation of the LJR component
 - Finalization of Access to Justice Manual and submission to Bank by October 11, 2008 for review
 - Letter of confirmation from the Ministry of Finance sent to the Bank to ensure incorporation of recently trained judicial and prosecutorial administrators into the national budget

Results	Alignment		Risks		Efficiency					Funds Effectiveness
A1 Development Objective	B1 Coordination	B2 M&E	C 1 Number of flags	C2 Project at risk	D.1 Implementation Progress	D2 Disburse-ments lags	D3 No-objection requests	D4 Disbursement applications	D5 Achievement of recommended actions	E1 Project scorecard
Information derived from ISR/TTL entered. Progress toward achievement of Development objectives, as stated in the Project Appraisal Document (from the PAD Data Sheet). Progress Toward Achievement of PDO: The PDO rating is forward-looking, in that it assesses the likelihood that the PDO will be achieved.	The Project Management rating focuses on: a. The extent to which appropriate institutional arrangements are in place for project implementation b. The extent to which persons with the necessary qualifications, skills, and authority are in place to perform the needed project management functions c. The extent to which the overall project is being properly managed If inadequacies in any of these areas are jeopardizing the timely or efficient achievement of any of the project's major outputs, then the Project Management rating should be MU, U, or HU.	Monitoring and Evaluation rating measures the extent to which: a. An appropriate M&E system is in place per the project design (see PAD) b. The capacity to implement the M&E system is in place c. The M&E system is being used effectively	Total number of risk flags raised per project. Risk flags include: country record, country environment, disbursement delays, effectiveness delays, counterpart funding, financial management, M&E, procurement problems, safeguards.	Based on number of risk flags and development objective and implementation progress.	Whether implementation progress is rated HS, S, MS, MU, U. Taken from "Overall Implementation Progress (IP)" from the Bank's rating. Rate the overall implementation of the project based on: a. The progress of the individual project components b. The five specific implementation ratings (project management, financial management, counterpart funding, procurement, and monitoring & evaluation) c. Rate of actual disbursements compared with estimates d. Compliance with audits e. Compliance with applicable safeguards f. Compliance with critical legal covenants If unsatisfactory performance of one or more of these six factors is jeopardizing the timely or efficient achievement of any of the project's major outputs, then the IP rating should	At the time of the updated Bank rating, the difference in months between the amount actually disbursed and the date at which that amount was to have been disbursed according to the disbursement estimate.	Calculated based on average number of days takes to receive N/O response from TTL from 4 latest requests. Complexity of N/O request not taken into account	Calculated based on average number of days from date of submission of withdrawal application to date of payment (time taken by the Processing Center, Releasing Unit and Treasury) for the 4 latest requests.	Extent that recommended CPPR actions have been addressed.	Overall project effectiveness. Red if 3 or more red cells. If equal number of green and orange, then project is orange. If more green than orange, then project is green, except when there is more than one red cell.

MOÇAMBIQUE

Reunião Anual da Avaliação do Desempenho da Carteira de Projectos Financiados pelo Banco Mundial

17-18 de Setembro de 2008

Quarta-feira , 17 de Setembro de 2008

08:00	Registo
08:30	Sessão Plenária
	Abertura <i>Sexa. Aiuba Cuereneia, Ministro da Planificação e Desenvolvimento</i> <i>Sr. Michael Baxter, Country Director, Banco Mundial</i>
	Apresentação da Carteira de Projectos do Banco Mundial em Moçambique <i>Sra. Susan Hume, Gestora de Programas, Banco Mundial</i>
	Apresentação da Visão Geral do Governo de Moçambique <i>Sr. Adriano Ubisse, Director Nacional de Investimentos e Cooperação, Ministério da Planificação e Desenvolvimento</i>
	Apresentação sobre o CUT (Conta Única do Tesouro) <i>Sr. Renaud Seligmann, Especialista Sénior em Gestão Financeira, Banco Mundial</i> <i>Dr. António Laíce, Director Nacional do Tesouro, Ministério das Finanças</i>
09:30	Discussão em plenária
10:30	Intervalo
	Projecto de Telecomunicações
10:45	Reforma do Sector de Comunicações
	Projecto do Sector de Aguas
11:30	Serviços de Agua e Apoio Institucional (WASIS)
12:15	Intervalo (não será servido almoço)
	Projectos de Desenvolvimento Humano
13:30	Resposta ao HIV/SIDA
14:15	Educação e Formação Técnica e Vocacional

15:30 Ensino Superior

16:15 **Encerramento**

Quinta-feira , 18 de Setembro de 2008

08:15 Registo

Projecto de Infraestrutura

08:30 Gestão e Manutenção de Estradas e Pontes 2

Projecto de Desenvolvimento Urbano

09:15 Programa do Desenvolvimento do Município de Maputo (ProMaputo)

Projectos de Desenvolvimento Rural e Turismo

10:00 Áreas de Conservação Transfronteiras e Desenvolvimento do Turismo

10:45 Desenvolvimento de Pequenos Produtores Orientado para o Mercado no Vale do Zambeze

11:30 **Intervalo** (não será servido almoço)

Projecto de Energia

12:45 Reforma e Acesso a Energia

Projectos do Sector Financeiro, Redução de Pobreza e Gestão Económica

13:30 Assistência Técnica ao Sector Financeiro

14:15 Reforma do Sector Público

Encerramento

15:15 Conclusões

15:30 Discussão em plenária
Intervenção final e passos seguintes
MPD e Banco Mundial

15:45 – 16:45 Cocktail (Centro de Conferências Joaquim Chissano)

Participants List
CPPR – September 17 and 18, 2008

1. Government

Name	Institution	Title/Department/Project
H.E. Aiuba Cuereneia	Ministry of Planning and Development	Minister
H.E. Soares Nhaca	Ministry of Agriculture	Minister
H.E. Aires Bonifacio Ali	Ministry of Education and Culture	Minister
H.E. Benvinda Levy	Ministry of Justice	Minister
H.E. Victoria Diogo	Ministry of Public Function	Minister
H.E. Pedro Couto	Ministry of Finance	Vice -Minister
H.E. Gabriel Mutisse	Ministry of Public Works and Housing	Vice - Minister
Mr. Adriano Ubisse	Ministry of Planning and Development	National Director for Investment and Cooperation
Mr. Luís Tobela	Ministry of Planning and Development	Technical Staff
Ms. Piedade Macamo	Ministry of Finance	Deputy National Director of Treasury
Mr. Felix Massangai	Ministry of Finance	Technical Staff
Ms. Carolina Nguenha	Ministry of Finance	Director of Public Administration
Mr. Moises Marime	Ministry of Finance	DGI Coordinator
Mr. Alfordina Moiana	Ministry of Finance	Technical Staff
Mr. Raimundo	Ministry of Finance	Technical Staff
Mr. Boaventura Nuvunga	Ministry of Agriculture	National Director for Agricultural Services
Ms. Gertrudes Machatine	Ministry of Health	National Director of Planning and Cooperation
Ms. Pascoal Bacela	Ministry of Energy	National Director
Ms. Estrela Chunguana	Ministry of Science and Technology	Deputy National Director
Mr. Miguel Arcanjo	Central Bank	Technical Staff
Mr. Antonio Pinto de Abreu	Central Bank	Administrator
Ms. Carla Timóteo	Central Bank	Foreign Director
Mr. Edson Dias	Central Bank	Technical Staff
Mr. Nelson Nunes	National Roads Administration	National Director
Mr. Julião Alferes	National Directorate of Water	National Director
Mr. Miguel Alves	Investment Fund and Water Supply	Executive Director

2. World Bank

Name	Title
Mr. Michael Baxter	Country Director
Ms. Susan Hume	Country Program Manager
Mr. Boris E. Utria	Sector Leader, Social Development
Mr. Abel Otacala	Communications Assistant
Ms. Adelina Mucavele	Team Assistant
Mr. Ali Alwahti	Urban and Water Specialist
Mr. Amós Malate	Procurement Analyst
Mr. Aniceto Bila	Senior Operations Officer
Mr. Anil Bhandari	Senior Adviser (Transport)
Mr. Antonio Nucifora	Senior Economist
Mr. Carlos Rojas	Senior Education Specialist
Mr. Daniel de Sousa	Senior Agricultural Officer
Mr. Elvis Langa	Financial Management Specialist
Mr. Humberto Cossa	Senior Health Specialist
Ms. Isabel Neto	ICT Policy Specialist
Ms. Isabel Nhassengo	Procurement Assistant
Mr. Jonathan Nyamukapa	Senior Financial Management Specialist
Ms. Khovete Panguene	Operations Analyst
Ms. Nilsa Comé	Team Assistant
Mr. Patrick Verissimo	Senior Sector Economist
Mr. Pedro Arlindo	Agricultural Economist
Mr. Peter Hawkins	Senior Water and Sanitation Specialist
Mr. Rafael Saute	Communications Officer
Mr. Renaud Seligmann	Senior Financial Management Specialist
Mr. Reto Thoenen	Junior Professional Officer (Energy)
Mr. Arsenio Langa	Information Technology
Mr. Emerson Siquice	Team Assistant
Ms. Salma Chande	Team Assistant
Mr. Samuel Maimbo	Senior Financial Sector Specialist
Ms. Tania Saranga	Financial Sector Analyst
Ms. Teresa McCue	Financial Analyst
Ms. Wendy Hughes	Senior Energy Specialist
Ms. Xiaoyan Liang	Senior Education Specialist

3. Other

Name	Institution/Title
Ms. Alice Hamer	African Development Bank
Ms. Willye King	African Development Bank
Mr. Sérgio Cassamo	PIU Coordinator Communication Sector Reform Project
Mr. Gabriel Machado	PIU Coordinator Public Sector Reform Project
Mr. Zeferino Martins	PIU Coordinator Technical and Vocational Education and Training Project
Mr. Luis Loforte	PIU Coordinator Technical and Vocational Education and Training Project
Mr. Carlos Chemane	PIU Coordinator Technical and Vocational Education and Training Project
Ms. Nadia Assane	Higher Education Project
Mr. Anastacio Maheche	Higher Education Project
Mr. Francisco Pereira	PIU Coordinator Roads and Bridges Maintenance and Management Project
Mr. Bartolomeu Soto	PIU Coordinator Transfronteir Conservation Areas & Tourism Development Project
Ms. Isabel Cossa	Market Lead Small Holders Developing Zambezi Valley Project
Mr. Jorge Tinga	Market Lead Small Holders Developing Zambezi Valley Project
Mr. Adelino Portugal	Market Lead Small Holders Developing Zambezi Valley Project
Ms. Sandra Bebe	Market Lead Small Holders Developing Zambezi Valley Project
Mr. Custódio dos Mucudos	PIU Coordinator Decentralized Planning and Financing Project
Mr. José Chichava	PIU Coordinator Financial Sector Technical Assitence Project
Mr. Nazário Meguigy	PIU Coordinator Financial Sector Technical Assitence Project
Mr. Alfredo Guirruogo	PIU Coordinator Financial Sector Technical Assitence Project
Mr. Alfredo Ulema	PIU Coordinator Financial Sector Technical Assitence Project
Mr. Nelson Beete	National Water Program II / Water Services and Institutional Support Project
Mr. Miguel Alves	National Water Program II / Water Services and Institutional Support Project
Mr. Fernando Nhamtumbo	Water Services and Institutional Support Project
Mr. Armindo Matos	Financial Director of the Municipal Council Project
Mr. Adelino da Cruz	Development Strategic and Institutional Director of the Municipal Council Project
Ms. Pascoa Themba	National Aids Council
Mr. Reynaldo P. Castro	Consultant



Banco Mundial
e
Governo de Moçambique



**Revisão do Desempenho da
Carteira de Projectos (CPPR)**

17-18 de Setembro de 2008

Susan Hume

Gestora de Programas do Banco Mundial



Descrição da Apresentação

- Objectivos da CPPR
- Descrição do Programa em Moçambique
- Resumo da Carteira de Projectos
- Tabela “Traffic Light”
- Sucessos ao Longo do Ano Transacto
- Desafios para a Carteira de Projectos
- Programa para o Ano Fiscal de 2009



Objectivos da CPPR

- Avaliar a situação de toda a carteira de projectos uma vez por ano (através da tabela ‘traffic light’)
 - Mini-CPPR (em Março) com enfoque sobre os projectos seleccionados, mas também preenche a tabela ‘traffic light’
- Aproveitar a oportunidade da participação de funcionários seniores e técnicos do governo para discutir questões específicas do projecto e planos de acção com o Banco Mundial
- Enfoque nos principais temas
 - O enfoque no ano transacto foi sobre questões específicas sobre como o Banco Mundial monitora a carteira de projectos (cópia distribuída)
 - Este ano temos uma apresentação sobre a estratégia do Banco Mundial para transferir os projectos para ‘on-CUT’



Descrição Geral do Programa do Banco Mundial

Pilar 1: Governança

- Maior voz do cidadão e exigência de prestação de contas

Pilar 2: Acesso aos Principais Serviços

- Eficiência e transparência na prestação de serviços

Pilar 3: Crescimento Sustentável e Abrangente

- Desenvolvimento Rural
- Desenvolvimento de Infra-estruturas
- Integração Regional
- Desenvolvimento de habilidades relevantes para o mercado laboral (ensino superior, ciência e tecnologia)

Questões Transversais

- HIV/SIDA
- Desenvolvimento do Sector Privado
- Capacitação



Resumo da Carteira de Projectos (1)

- 18 projectos em curso; compromissos \$853 m
 - 8 Infra-estruturas (59%)
 - 4 Desenvolvimento Humano (educação & saúde) (21%)
 - 4 Sector Público e Descentralização (13%)
 - 2 Agricultura e Desenvolvimento Rural (7%)
 - Incluem ainda:
 - 3 projectos da *Global Environmental Facility* (GEF)
 - 2 projectos regionais
- 36 Trust Funds; compromissos \$198 m



Resumo da Carteira de Projectos (2)

- Desembolsos no Ano Fiscal 2008: \$198 m (87% de previsão)
- Desembolsos Estimados para o Ano Fiscal de 2009: \$220 m
- Seis projectos que encerram no ano fiscal de 2009:
 - Ensino Superior
 - Aceleração do Tratamento de HIV
 - Planificação e Finanças Descentralizadas
 - Desenvolvimento Nacional do Sector de Aguas II
 - Reestruturação dos Portos e Caminhos de Ferro
 - Reforma do Sector de Comunicações



Resumo da Carteira de Projectos (3)

- Para os próximos três anos, cerca de \$225 m de compromissos do IDA por ano em operações
- 6-7 novos projectos planificados para o ano de 2009:
 - Crédito para o Apoio a Redução da Pobreza 5 (Apoio ao Orçamento do Estado) (\$90 m)
 - Provisão de Serviços de Saúde (\$38 m)
 - Competitividade e Desenvolvimento do Sector Privado (\$25 m)
 - Irrigação Orientada para o Mercado (\$50 m)
 - Programa Nacional de Planificação e Finanças Descentralizadas (\$25 m)
 - Programa de Infra-estruturas de Comunicação Regional - Fase 3 (\$33 m)
 - Energia APL2 (possível) (\$40 m)



Tabela "Traffic Light"

	Results	Alignment		Risks		Efficiency					Funds Effectiveness	
	A1 Development Objective	B1 Coordination	B2 M&E	C 1 Number of flags	C2 Project at risk	D.1 Implementation Progress	D2 Disbursements lags	D3 No-objection requests	D4 Disbursement applications	D5 Achievement of	E1 Project scorecard (cell on left is previous rating; cell on right is new rating)	
											Mar-08	Sep-08
Public Sector Reform Project											PP	
Decentralized Planning and Financing												
Maputo Municipal Development											PP	
Roads and Bridges II												
Railway and Port Restructuring												
Beira Railway												
Energy Reform and Access (incl. GEF)											pp***	
National Water 2												
Communication Sector Reform												
Market-led Smallholder (incl. GEF)											PP	
TFCA and Tourism Development (incl. GEF)												
Financial Sector TA												
Technical and Vocational Education and Training												
Higher Education (incl. add'l finance)												
HIV / AIDS Response											PP**	PP
Water Services and Institutional Support										NA	NA	

Traffic Light Rating		Corresponding Project Sheet Rating	Non-objection/Disbursement Applications Rating		Problem Projects	
Red ■ Weak / poor performance		HU, U, MU	Red ■ >12	# days	PP	Problem Project
Orange ■ Average progress		MS	Orange ■ 7<12		**	Project downgraded April 08
Green ■ Good progress		S, HS	Green ■ <7		***	Project to be upgraded
Grey ■ To be determined		N/A	Grey ■ N/A			
NA Not Applicable						



Principais Tendências na Tabela (1)

- Em Setembro de 2007 houve 3 projectos problemáticos; em Setembro de 2008 existe apenas um projecto problemático
- Seis projectos mantiveram um bom desempenho desde Setembro de 2007:
 - Desenvolvimento Nacional do Sector de Aguas II
 - Assistência Técnica ao Sector Financeiro
 - Desenvolvimento Municipal de Maputo
 - Gestão e Manutenção de Pontes e Estradas II
 - Reestruturação de Portos e Caminhos de Ferro
 - Educação e Formação Técnico-Profissional



Principais Tendências na Tabela (2)

- Os seguintes projectos tiveram uma experiência positiva no seu desempenho:
 - Reforma e Acesso a Energia ; de vermelho para verde
 - Desenvolvimento de Pequenos Produtores Oreintado para o Mercado no Vale do Zambeze; de vermelho para laranja
 - Reforma do Sector Público; de vermelho para laranja
 - Planificação e Finanças Descentralizadas; de laranja para verde
 - Ensino Superior; de laranja a verde
 - Reforma do Sector de Comunicações; de laranja para verde
 - Áreas de Conservação Transfronteiriças e Desenvolvimento de Turismo; de laranja para verde
- Os seguintes projectos tiveram um desempenho fraco ou decadente:
 - Resposta ao HIV/SIDA (MAP); de laranja a vermelho
 - Linha de Sena; de verde para laranja



Sucessos (1)

- Melhorias na Carteira de Projectos em Moçambique:
 - Os projectos problemáticos reduziram de três no início do ano fiscal de 2008 para um no final do ano fiscal de 2008(Resposta ao HIV/SIDA (MAP))
 - A qualidade da carteira de projectos está acima da média da Região Africana
- Melhor desempenho da carteira de projectos e melhor classificação no CPIA (Avaliação da Política Institucional do País) resultou no aumento dos recursos da IDA 15 para Moçambique
- Opinião das PIUs categoricamente expressa de que as relações entre eles e o Banco Mundial e o MPD são fortes e eficazes
- Introdução do e-sistafe e do CUT para um projecto (Desenvolvimento de Pequenos Produtores Orientado para o Mercado no Vale do Zambeze)



Sucessos (2)

- ***Reforma e Acesso a Energia:*** o ritmo de implementação aumentou e uma nova comissão de energia já está estabelecida
- ***Desenvolvimento de Pequenos Produtores Orientado para o Mercado no Vale do Zambeze:*** aderência bem sucedida ao e-sistafe/CUT e ao uso dos sistemas nacionais de planificação distrital
- ***Reforma do Sector de Comunicação:*** órgãos reguladores da aviação civil e das telecomunicações fortalecidos
- ***Ensino Superior:*** todas as áreas chave estão a ser implementadas com sucesso incluindo o novo fundo de qualidade e inovação



Sucessos (3)

- **Áreas de Conservação Transfronteiriças e Desenvolvimento do Turismo:** parcerias com ONGs locais & Internacionais
- **Programa Regional de Aceleração do Tratamento do HIV:** melhoria no processo de recolha de dados, e contratação de ONGs para a provisão de serviços de tratamento do HIV&SIDA
- **Gestão e Manutenção e de Estradas e Pontes II:** harmonização dos procedimentos de gestão financeira; criação do Fundo de Estradas (PRISE)
- **Educação e Formação Técnica e Vocacional :** desenvolvidos quatro currículos, e normas de avaliação e certificação



Sucessos (4)

- ***Planificação e Finanças Descentralizadas:*** a participação das comunidades na planificação distrital é aceite por todos
- ***Reestruturação dos Caminhos-de-ferro e Portos:*** o processo de reestruturação está a ser implementado
- ***Desenvolvimento Nacional do Sector de Aguas II:*** melhorada a qualidade dos serviços prestados às cidades e aumentado o período de fornecimento de água
- ***ProMaputo:*** a gestão do projecto está totalmente integrado na estrutura da instituição; promove a apropriação e uma liderança clara
- ***Assistência Técnica ao Sector Financeiro:*** desempenho satisfatório mantido durante todo o ano transacto



Desafios: Assuntos Transversais

- Melhorar a coordenação entre as agencias de implementação e as agencias de supervisão (particularmente o MPD) para garantir uma interacção harmoniosa com o Banco Mundial
- Fortalecer a apropriação ministerial do projecto por parte dos órgãos de decisão (isto é, a mudança de um Ministro não deve afectar o curso normal das actividades acordadas no projecto)
- Fornecer ao pessoal do ministério tempo necessário para se dedicarem à execução do projecto



Desafios: Assuntos Transversais

- Desenvolver capacidades a nível distrital e provincial (parte dos grandes desafios gerais do governo)
- Garantir a elaboração de projectos simples com base na capacidade local e no programa de reforma do governo
- Harmonizar os procedimentos dos doadores – orçamentação, produção de relatórios, gestão financeira, monitoria e avaliação



Desafios: *Procurement*

- Adquirir e manter um conhecimento melhor sobre os procedimentos do Banco Mundial
- Ajustar os planos de *procurement* com a preparação dos planos operacionais anuais
- Garantir que os documentos de Concurso Internacional (ICB) sejam preparados na língua inglesa
- Avaliar os limites de aprovação de não objecção em alguns projectos, dependendo da capacidade e risco associado



Desafios: Gestão Financeira

- Melhorar a qualidade e apresentação oportuna dos relatórios de gestão financeira (IFRs)
- Melhorar a qualidade e apresentação oportuna dos relatórios anuais de auditoria
- Desenvolver capacidades de gestão financeira nas províncias e no seio dos parceiros de implementação
- Aumentar a disponibilidade de Auditores Internos para operações a nível provincial



Desafios: Monitoria & Avaliação

- Melhorar e manter a capacidade técnica a nível da PIU e dos parceiros de implementação (sociedade civil e sector privado) bem como a nível provincial
- Criar capacidade de análise de dados a nível central e local; promover a cultura bem como motivar o pessoal a realizar actividades de M&A
- Garantir consistência no processo de recolha de dados
- Melhorar as redes de comunicação com o objectivo de recolher e transmitir dados entre os parceiros de implementação e a PIU
- Consolidar os indicadores dos projectos com muitos sub-indicadores



Desafios: Recrutamento & Retenção (1)

- Melhorar as habilidades nos mercados de trabalho a nível provincial e distrital
- Aumentar o nível de retenção a nível central e provincial; o pessoal queixa-se de baixos salários, habitação não condigna, falta de benefícios
- Garantir a paridade de salário entre o pessoal patrocinado pelos vários doadores mas que efectuam um trabalho similar (isto conduz a desarmonia e contribui para altos níveis de rotatividade pessoal)



Desafios: Recrutamento & Retenção

(2)

- Melhorar a alocação de pessoal a nível central e provincial
- Recomendações das PIUs:
 - Contratar pessoal no início do ciclo do projecto
 - Adotar contratos de 2-3 anos para os consultores das PIUs (ao invés de contratos de um ano renováveis; com base na avaliação anual)
 - Juntar o pessoal contratado com o pessoal regular para garantir a transferência de conhecimento e habilidades dentro da agencia de implementação
 - Garantir um salário e pacote de benefícios competitivo para o pessoal contratado da PIU (por exemplo, assistência medica)



Desafios: Necessidades de Formação (1)

- Formação em e procedimentos específicos do Banco Mundial e produção de relatórios (particularmente com relação aos Fundos Comuns)
- Implementação de um programa de formação do Governo nas províncias
- Realização de workshops (em Português) frequentes, sobre gestão financeira, procurement e desembolso destinados ao pessoal do projecto em Maputo (e possivelmente noutros centros regionais);



Desafios: Necessidades de Formação (2)

- Recomendações da PIUs:
 - Oferecer formação no início do projecto, onde as necessidades são maiores; particularmente sobre o quadro de resultados
 - Usar exemplos dos estudos de caso
 - Incluir outro pessoal do projecto e do ministério na formação, mesmo que não estejam a trabalhar na mesma área [por exemplo, o conhecimento sobre procurement é valioso para todo pessoal]
 - Providenciar formação no local de trabalho em procurement e gestão financeira



Desafios Específicos para o MPD

- Necessidade de mais interacção entre as PIUs e o MPD
- Aplicar uma política que crie paridade entre o pessoal contratado nas PIUs e todos os doadores (em colaboração com os doadores)
- Melhorar a coordenação e planificação com os diferentes actores, particularmente com respeito aos fundos de contraparte (isto continua sendo um problema para alguns projectos)
- Melhorar o tempo de processamento do:
 - CREE, TA e outras aprovações do Banco de Moçambique
 - Procedimentos regulares do Banco Mundial (assinaturas, reembolsos, etc.)



Desafios Específicos para o Banco Mundial

- Aumentar o envolvimento do Banco Mundial nos SWAPs e outros programas coordenados para um melhor alinhamento e harmonização dos doadores
- Elaborar novos projectos para adequar à estrutura dos projectos da agencia de implementação (por exemplo, uma abordagem mais horizontal e não vertical)
- Garantir uma resposta expedita para a revisão dos relatórios de gestão financeira e pedidos de não objecção



Programa para o Ano Fiscal de 2009

- Colocar novos projectos no CUT; considerar também a colocação dos projectos existentes no on-CUT
- Abordar de forma pro-activa os potenciais problemas nos projectos para garantir uma carteira de projectos saudável
- Fazer com que as UIPs estejam melhor consciencializadas sobre oportunidades de formação
 - considerar a realização de um curso integrado de formação para os novos projectos



MINISTÉRIO DA PLANIFICAÇÃO E DESENVOLVIMENTO

Matriz do Progresso desde o Último CPPR (2007)

REUNIÃO SOBRE A REVISÃO DO DESEMPENHO DA CARTEIRA DE PROJECTOS DO
GOVERNO FINANCIADOS PELO BANCO MUNDIAL

Maputo, 17 e 18 de Setembro de 2008



Sumario da Apresentacao

- ⌘ Problemas identificados no CPPR (Setembro 2007) e Mini CPPR (Marco 2008);
- ⌘ Respostas do Governo;
- ⌘ Principais resultados desde o CPPR 2007;
- ⌘ Desafios;



Principais Problemas Identificados

CPPR 2007

- ⌘ Entre os principais problemas identificados nos projectos na Revisão de 2008, contam-se:
- ☒ **Fraca articulação intersectorial** origina atrasos na implementação de Projectos,
 - ☒ Exiguidade de pessoal qualificado na área de **gestão financeira**,
 - ☒ Exiguidade de pessoal qualificado na área de ***procurement***,
 - ☒ **Estrutura inadequada de alguns projectos** dificulta a implementação do projectos,
 - ☒ **Fundos de Contrapartida**,
 - ☒ Dificuldades em atrair e reter pessoal qualificado;
 - ☒ Elevada rotação de pessoal;



Principais Problemas Identificados

CPPR 2007

- ☒ Fraqueza nos sistemas de Monitoria e Avaliação;
- ☒ Demora na homologação dos contratos pelo Tribunal Administrativo;
- ☒ Fraco conhecimento dos procedimentos do Banco Mundial pelos Bancos Comerciais;
- ☒ Baixos salários, fracas condições de trabalho, e poucas oportunidades de desenvolvimento profissional;



Principias Problemas Identificados

Mini-CPPR 2008

⌘ **HIV/SIDA (CNCS)**

- Atrasos nas negociações entre o CNCS e o GMA
- Fraco volume de sub projectos e quase paralisação da componente sector privado

⌘ **Projecto de Desenvolvimento de Pequenos Agricultores Orientados para o Mercado**

- Atraso do Projecto, tendo em conta os indicadores da revisão intermédia (Dezembro de 2009);



Principias Problemas Identificados

Mini-CPPR 2008

⌘ Conservação de Áreas Transfronteiriças e Desenvolvimento do Turismo

- Atraso na produção de Relatórios Financeiros.
- Demora na elaboracao dos relatorios de desempenho de 2006 e 2007

⌘ Planificação e Finanças Descentralizadas

- Atraso na producao do Manual de Finanças Distritais.
- Saída de pessoal chave antes do fim do Projecto pode afectar a implementacao (regiao Centro)



Principias Problemas Identificados

Mini-CPPR 2008

⌘ **Planificacao e Financas Descentralizadas (cont.)**

- Fraco enfoque para actividades de capacitação institucional.
- Ineficiente integração de Técnicos Médios distritais e seu pagamento com fundos do Orçamento do Estado;



Respostas do Governo ...

⌘ Algumas medidas do Governo em resposta aos problemas identificados no CPPR 2007 e Mini CPPR 2008:

- ☑ Aprovado Decreto sobre a redução da base tributária em 60% para o sector de estradas e potes, e abastecimento de água.
- ☑ Criado um **Task Force** (MPD/MFP/MF), para produzir propostas de melhoria de desempenho dos projectos financiados pelo BM, especificamente para a area de Governacao (UTRESP)



Respostas do Governo ... (cont.)

- ☑ Indicados os membros da CNELEC (ERAP);
- ☑ Clarificada as responsabilidades entre o TdR entre o supervisor e gestor de projecto (Market Smallholders Project);
- ☑ Realizado encontros com projectos específicos para identificação de problemas (MiniCPPR, Marco de 2008)



Resultados práticos do CPIA

- ⌘ Redução do numero de projectos em risco de 3 para 1.
- ⌘ Elevação da qualidade do portofólio para um nível acima da média africana.
- ⌘ A melhoria do desempenho da carteira de projectos e da classificação no CPIA resultou no aumento de fundos da IDA para o país.
- ⌘ Melhorado o relacionamento entre as Unidades Implementadoras de Projectos, Governo e BM.
- ⌘ Introdução gradual do e-SISTAF e da Conta Única do Tesouro nos Projectos.



Desafios ...

- ⌘ Melhorar a capacidade do MPD na supervisão dos projectos,
- ⌘ Coordenação interinstitucional em projectos multissectorial,
- ⌘ Mecanismos para contratação e retenção de pessoal qualificado para os projetos;
- ⌘ Aumentar a integração dos projectos nos sistemas nacionais;
- ⌘ Melhorar o conhecimento dos procedimentos do Banco Mundial;
- ⌘ Aumentar as acções de formação principalmente nas áreas de procurement, gestão financeira e desembolsos.



MINISTÉRIO DA PLANIFICAÇÃO E DESENVOLVIMENTO

FIM

Utilização do e-CUT por projectos de investimento do Banco Mundial

Renaud Seligmann
Especialista principal
de finanças públicas



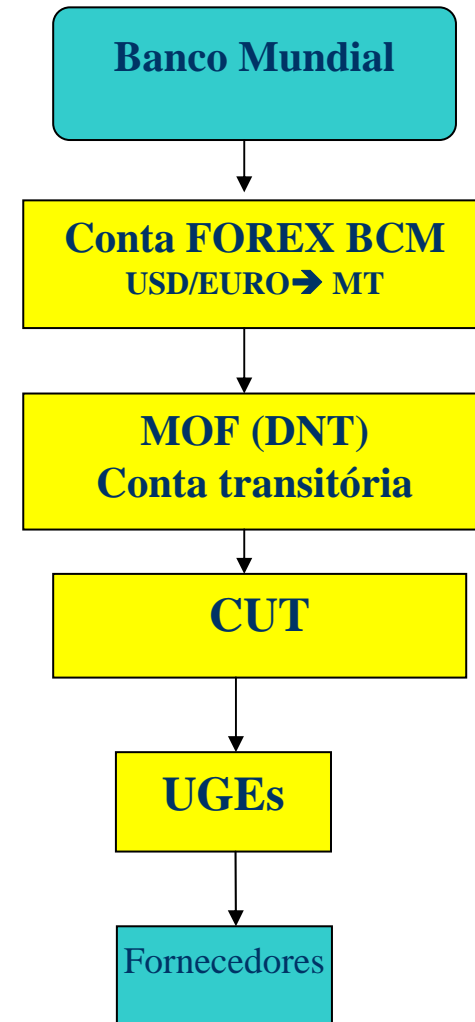
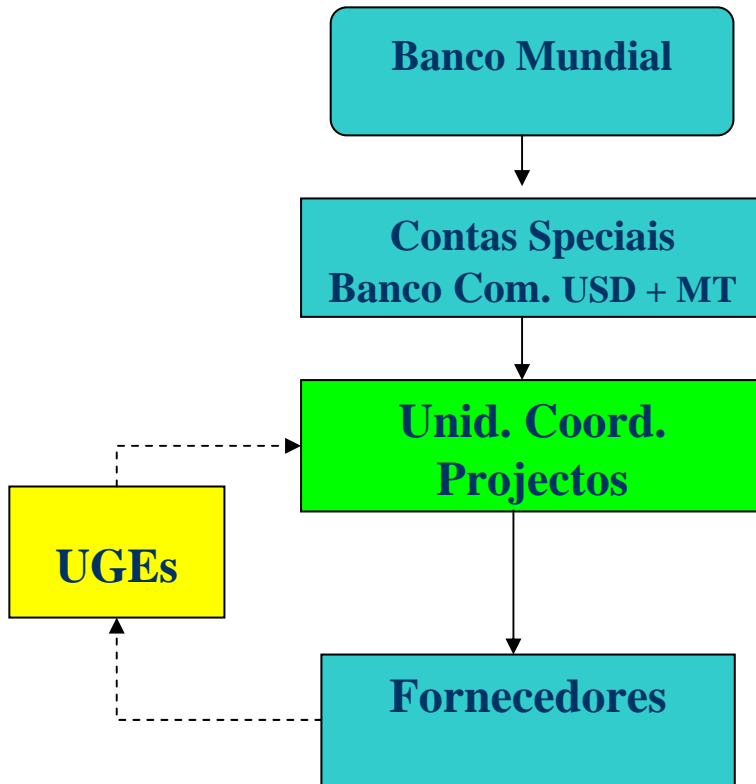
**Financial
Management**

Improving Systems
Building Capacity
Providing Fiduciary Assurance

Estrutura da Apresentação

1. Objectivos: o desafio de utilização do CUT
2. Situação actual
3. Avaliação da Gestão das Finanças Públicas
4. Análise de riscos fiduciários
5. Conclusões e Recomendações
6. Necessidades de assistência técnica

Fluxos de fundos: “on” vs. “off-CUT”



Objectivos: O desafio de utilização do CUT para projectos do Banco

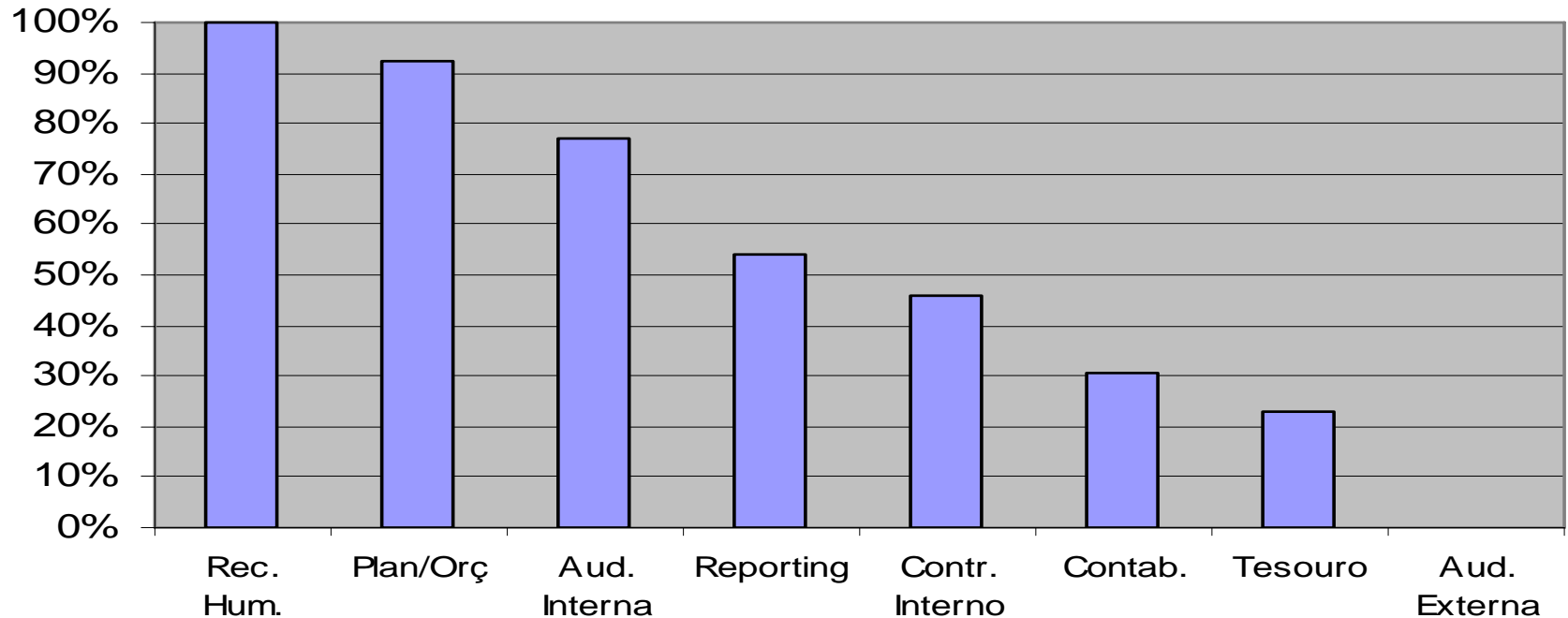
- Objectivos do Desenvolvimento
 - Reduzir custos de transações para o governo
 - Mais harmonização entre os parceiros
 - Assegurar sustentabilidade dos projectos de desenvolvimento
 - Melhorar GFP
- Obrigações fiduciárias do Banco
 - Garantias de utilização dos fundos do Banco em conformidade com políticas e regulamentos
 - Necessidade para manter a reputação do Banco na utilização dos fundos
 - Condição da confiança dos doadores e dos mercados financeiros internacionais

O desafio: balanço entre os dois objectivos



Situação actual

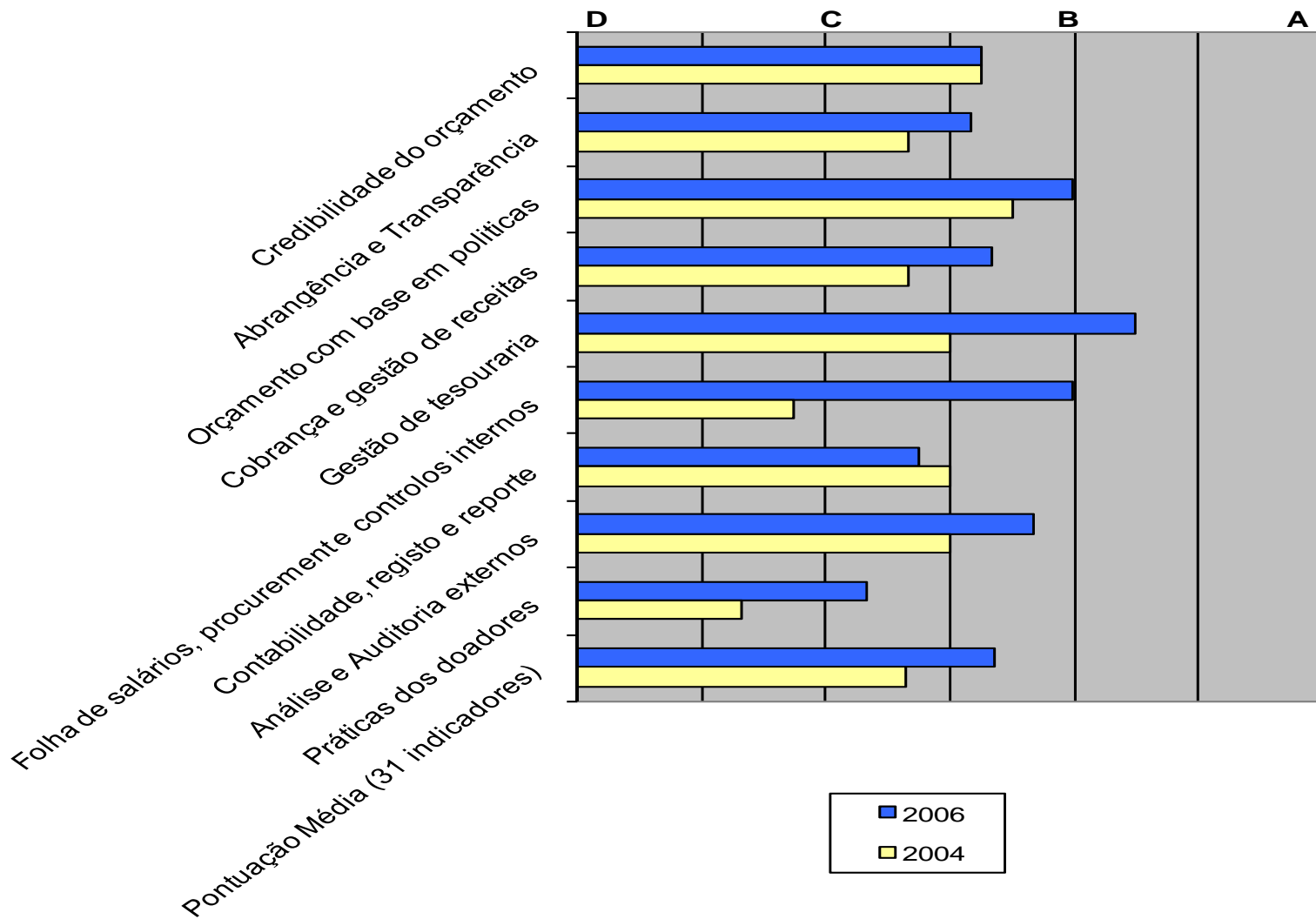
- 61% dos projectos do Banco (11/18) usam o sistema de gestão financeira do país
- Mas, somente um projecto usa o e-CUT e nenhum usa o T. A.



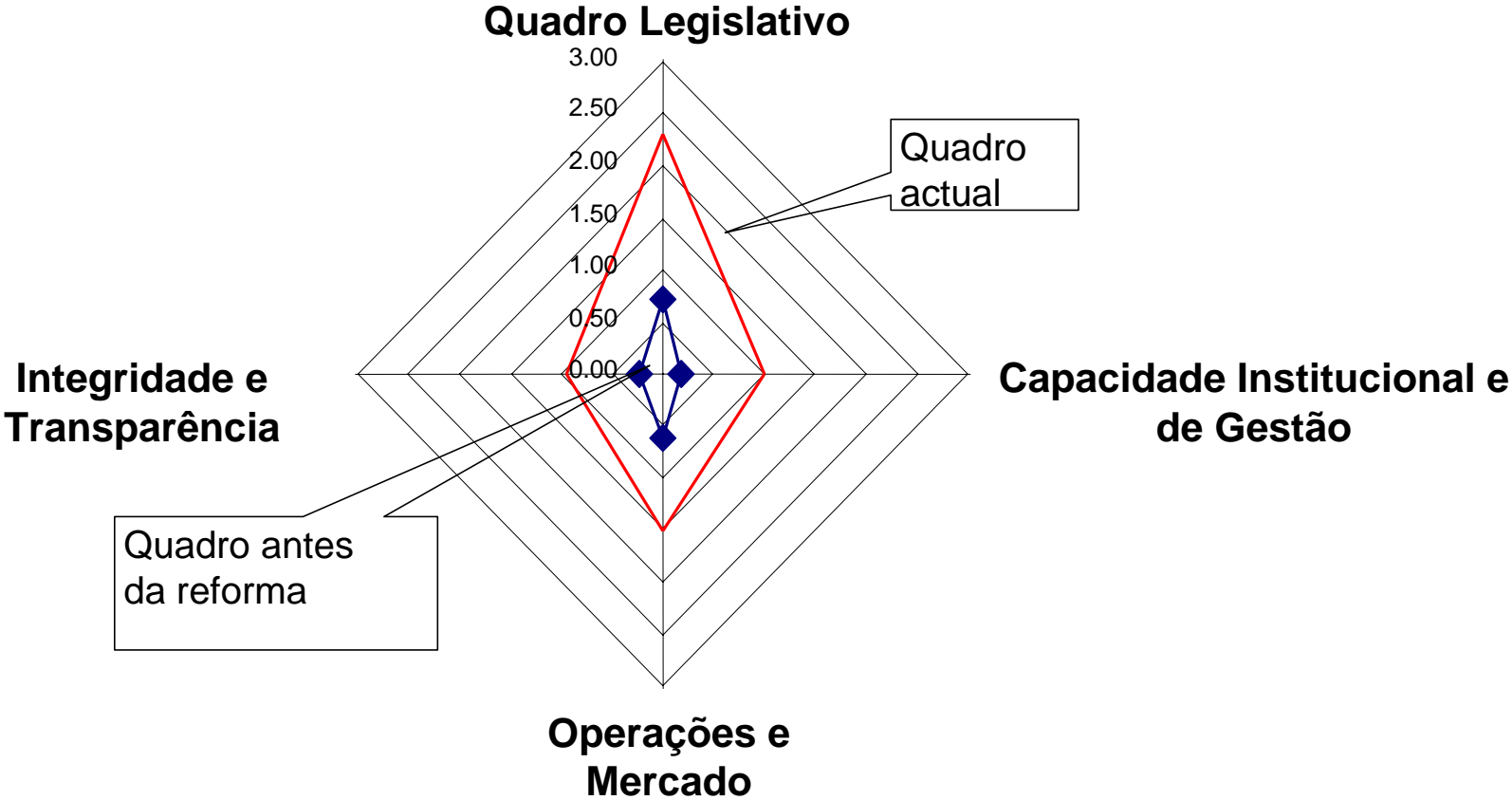
Avaliação da Gestão de Finanças Públicas

- Melhoramentos significativos na qualidade dos sistemas e processos de GFP entre 2004 e 2006
 - Public Expenditure & Financial Accountability (PEFA)
 - IMF -Fiscal Transparency Report on the Observance of Standards and Codes (ROSC)
- Melhorias igualmente na procurement
 - Country Procurement Assessment Report (CPAR)

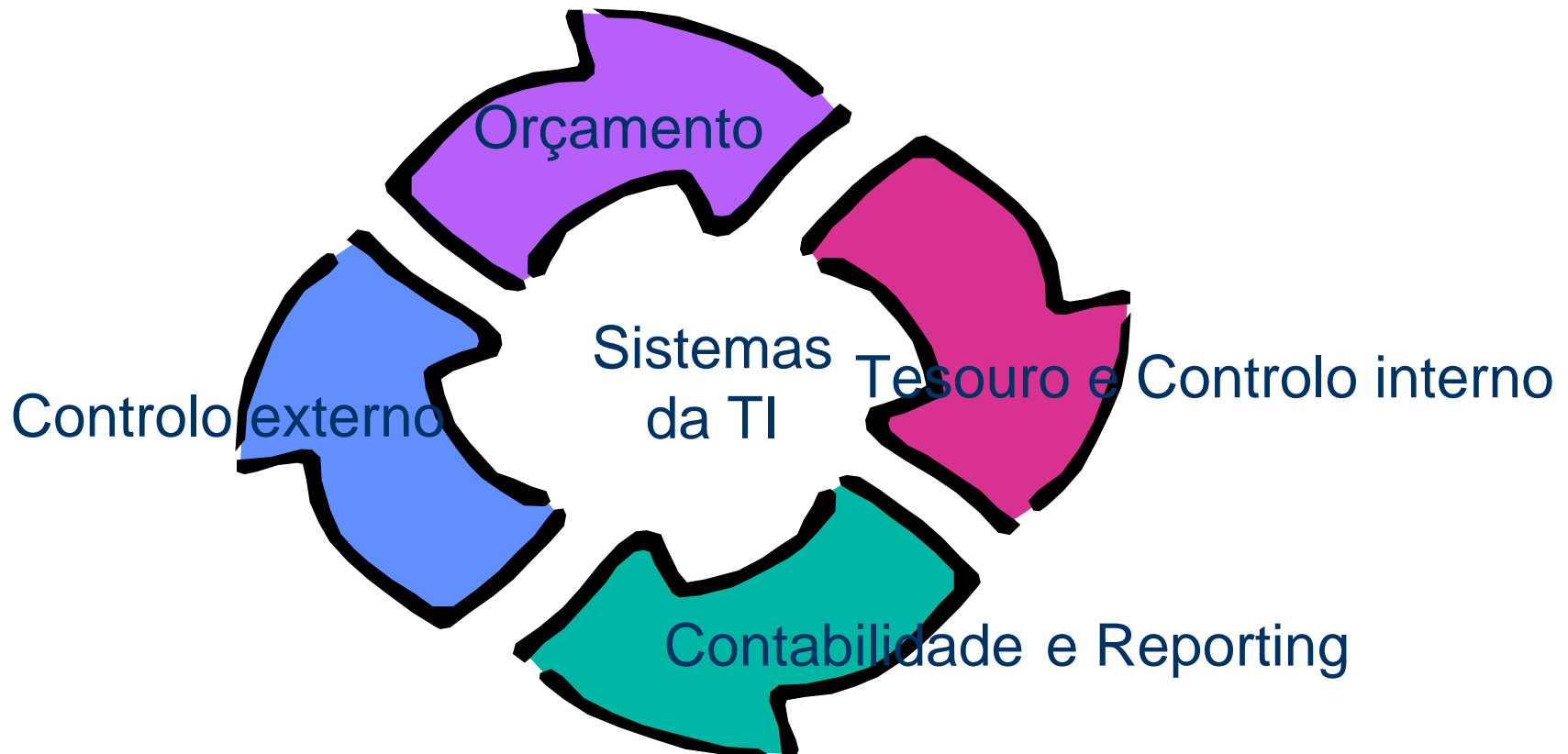
Evolução dos Indicadores do PEFA (2004 - 2006)



Avaliação do Progresso no Procurement 2002-2008



Análise de riscos fiduciários



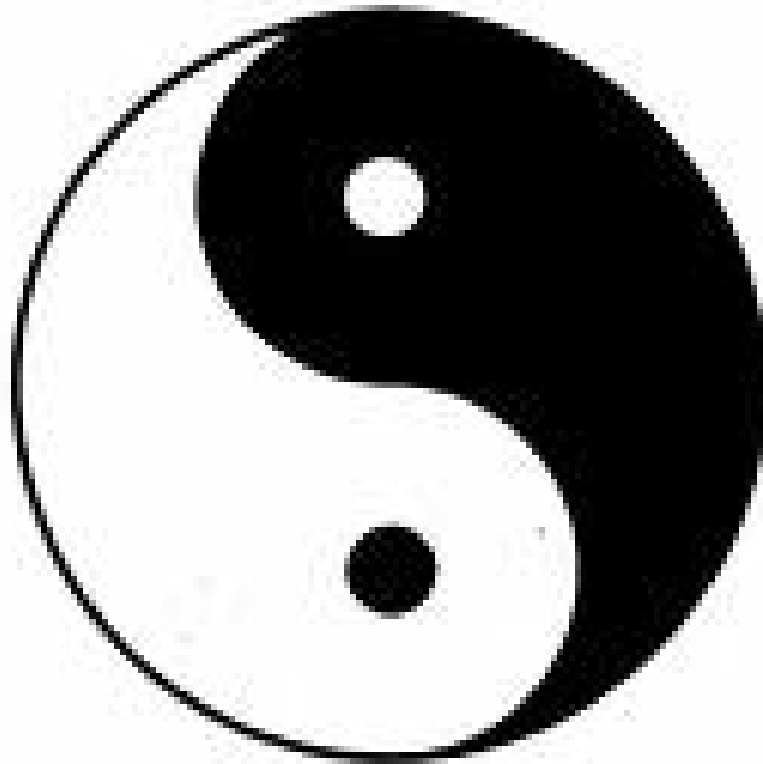
Conclusões e Recomendações

- Alguns assuntos precisam de ser tratados:
 - Sistemas de TI: Cobertura geográfica e sectoral
 - Orçamento: Inscrição no orçamento dos projectos,
 - Controlo interno – Cobertura da via directa de execução orçamental, cumprimento com regs. do SISTAFE
 - Contabilidade & Auditoria – Cumprimentos com padrões internacionais,
 - Reporting – Atrazos na produção dos relatórios
- **Mas, em princípio, é possível usar e-CUT para todos os projectos do Banco**
- Na prática
 - Todos novos projectos on-CUT (RCIP, MCPD, PNPFD, Água rural...)
 - Alguns projectos existentes, quando justificando
- É importante avaliar se as entidades da execução dos projectos cumprem com os regulamentos do Sistafe.

Necessidades de assistência técnica

- Nós queremos apoiar os esforços do governo para melhorar GFP
- Coordenação com parceiros do desenvolvimento é essencial
- Pensamos que há um altíssimo nível de convergência entre as exigências fiduciárias e prioridades de desenvolvimento

Obrigado pela sua atenção!



MOÇAMBIQUE
Revisão Conjunta da Carteira de Projectos (CPPR) para
Projectos Financiados pelo Banco Mundial

Setembro, 2008

Questionário para as Equipes dos Projectos

Este questionário foi desenvolvido no âmbito da preparação da próxima Revisão Conjunta da Carteira de Projectos (CPPR) que terá lugar nos dias 16 – 17 de Setembro de 2008. O questionário tem como principais objectivos identificar: (i) as áreas de sucesso nos projectos; (2) os problemas que afectam projectos específicos; e (3) os problemas que afectam todos os projectos na carteira de projectos de Moçambique. O CPPR irá discutir todos os projectos num curto espaço de tempo, e não nos permitirá uma discussão detalhada sobre os assuntos em causa.

Por favor considere as seguintes perguntas como um guia para as nossas discussões nas próximas semanas. A equipe entrevistadora será composta por oficiais do Banco Mundial e MPD.

Esta é a primeira vez que se entrevista todas as equipes dos projectos como a base para a preparação do CPPR. Gostaríamos que todas equipes discutissem os assuntos abertamente. A nossa intenção é de estabelecer boas relações de trabalho com todas as equipes, e um compromisso conjunto e forte para uma melhor implementação dos projectos.

Para mais informação por favor contacte:

- Khovete Panguene (kpanguene@worldbank.org)
- Luís Tobela (luisetobela@yahoo.com.br)

1. Gestão do Projecto

- Quais são as áreas de sucesso no projecto?
- Como melhorar o desempenho do projecto?
- O projecto usa os sistemas de monitoria e avaliação (M&A)? Quais são os desafios para M&A, e como podem ser melhorados?
- Tem tido desafios na área de recrutamento e retenção de quadros?
- Em que aspecto é que o Banco Mundial e o MPD podem fornecer adicional e/ou melhor apoio?

2. Assuntos Fiduciários

- Quais são os desafios (em termos de tempo, qualidade de dados, processo de aprovação, etc.), para a preparação dos seguintes: plano de *procurement* e relatório de avaliação de *procurement*?
- Quais são os desafios para a gestão financeira para a preparação de FMRs/IFRs e auditorias oportunas?
- Qual é o apoio adicional que gostariam de receber das equipas do Banco Mundial para *procurement* e gestão financeira?
- Em que aspecto é que o Banco Mundial pode providenciar adicional e/ou melhor assistência?

3. Procedimentos do Banco Mundial

- Existe um bom fluxo de comunicação com o Líder da Equipe do Projecto (TTL) da parte do Banco Mundial?
- Baseando-se nas ultimas quatro aplicações, qual é o tempo médio para receber um *no-objection*?
- Baseando-se nas ultimas quatro aplicações, qual é o tempo médio para processar uma aplicação de desembolso?
- Quais são os procedimentos do Banco Mundial que necessitam de uma melhoria?

4. Procedimentos do Governo

- Existe algum desafio com procedimentos de rotina, tal como extensão de projectos, amostra de assinaturas, abertura de conta especial, reembolso da conta especial, e fecho de conta especial?
- Quais são as principais razões pelo atraso?
- Existe algum problema com fundos de contraparte?
- Em que aspecto é que o Governo pode providenciar adicional e/ou melhor assistência?

5. Formação

- Já houve formação para os novos quadros dos projectos em procedimentos do Banco Mundial?
- Em que áreas é que a equipe precisa de formação? Qual deve ser a intensidade/profundidade da formação?
- Qual deve ser a frequência e as áreas para reciclagem da formação?

MOZAMBIQUE
Country Portfolio Performance Review (CPPR)
Questionnaire for Project Teams
HIV/AIDS Response Project (MAP)
July 22, 2008

1. Project Management

- Areas of success: contributed to the growth and consolidation of the structure to fight HIV/AIDS in Mozambique
- Project performance can be improved by:
 - Better use of M&E systems
 - Improved procurement
 - Increased staffing and staff performance
- Monitoring and evaluation
 - M&E systems are used
 - Challenge:
 - capacity building of the implementing partners (civil society and private sector) in the use of M&E
 - lack of technical capacity within CNCS
- Recruitment and retention
 - Lack of skills in provincial labor markets
 - Low staff retention rate at central and provincial levels due to low salaries and lack of benefits for all sectors
- Additional support from WB
 - Better remuneration package for staff

2. Fiduciary Issues

- Procurement:
 - Preparation of procurement plan has to be aligned with preparation of operational annual plan (POA)
 - CNCS expressed an interest in producing procurement documents only in Portuguese language due to Tribunal Administrativo procedures; Amos explained that only ICB documents need to be in English
- Financial Management:
 - Main challenge relates to collection and collation of information from the outlying provinces and districts which is required to produce the global CNCS report
 - Delays are generally experienced in receipt of the info, which results in CNCS failing to report FMRs in a timely
 - Lack of capacity of implementation partners - some IPs struggle to produce the required reports (at all) and others fail to produce the reports in a timely manner, again leading to delays in CNCS reporting to the Bank

- Internal Audit - CNCS has a team of four auditors, covering 11 provinces; if there was at least an auditor per province, better coverage would be achieved
- Staffing at the Provincial and District levels - perception that CNCS pay scale is lower than competitors in similar areas, resulting in frequent movement of trained staff to competitors; staff turnover appears high
- Salary parity - staff sponsored by different donors/government performing similar work sometimes have large disparities in pay levels. This obviously leads to disharmony and may be contributing to the high staff turnover
- Additional support from WB:
 - Training on Bank specific reporting and procedures - this is generally commonly available at the bank's partner institutions in the English language, when there is a clear preference for Portuguese language training
 - FM and Disbursement clinics for project staff in Maputo, as well as in the regional centers
 - Two year contracts for staff may help improve retention rates

3. Bank Processing

- Good communication with TTL
- Traffic light table information
 - No-objection response: maximum of two days
 - Withdrawal application processing: 8 days

4. Government Processing

- No issues with either MPD or MoF
- Need assistance from GoM for training programs in the provinces

5. Training

- Need for Portuguese language training
- CNCS requested training on:
 - Project management for all staff
 - Government specific training for staff in the outlying areas
 - New common fund procedures for the fiduciary staff, including the prior review procedures by the Bank
 - Refresher courses

MOZAMBIQUE
Country Portfolio Performance Review (CPPR)
Questionnaire for Project Teams
Market-led Smallholder Development in the Zambezi Valley
July 23, 2008

1. Project Management

- Areas of success:
 - Successful adherence to SISTAFE and flow of funds through the STA/CUT (Single Treasury Account)
 - Substantial progress on implementing the project using national systems (for instance, at district level the resources have to be programmed in the district budget and work plan on time to be included in the respective district work plans and budgets)
 - Good collaboration with MoF particularly with UTRAFE and the Treasury Directorate for production of FMRs
 - In DNPDR, the project offered opportunities for learning by-doing on several aspects entailed in project implementation (planning, procurement, FM, M&E, project management)
 - Proactive involvement and collaboration of provincial and districts institutions
 - District's empowerment and commitment

- Project performance can be improved by:
 - Recruitment of key staff e.g. procurement, M&E, FM
 - Continual training of technical staff at central and district levels
 - Training on WB procedures

- Monitoring and evaluation
 - M & E specialist was recently recruited and the M&E system is being established at central and district level
 - Challenge:
 - Create capacity at district and provincial level (training at various levels and most likely recruitment of one dedicated staff in each district)

- Recruitment and retention
 - Recruitment process is slow; depends on MPD recruitment cycle and selection criteria; affects overall performance of project
 - Contracted staff has to be paired with competent regular staff to ensure that the transfer of knowledge and skills is effective
 - Difficulty in filling the post of Procurement Specialist

- Additional support from MPD
 - Stronger oversight/ownership of project for quick decision making on issues needing high-level intervention and high level intervention with key sectors (MICOA, provincial governments etc)
 - Needs to improve staff allocation at central level

2. Fiduciary Issues

- Procurement:
 - Nature of project does not allow advance forecasting and planning of some activities, and is a challenge to procurement planning
 - WB reiterated that procurement planning can be revised during supervision missions or every quarter as needed
 - Resources for national procurement flow through STA(CUT) so it is crucial to updated the programming of flow of funds in the existing windows of opportunity
 - Need for procurement training at district level

- Financial Management:
 - Satisfied with their experience with e-Sistafe so far, including their liaison with Treasury
 - Main challenge is the absence of banks in the project's operational zone; struggle to effect payments to beneficiaries in those areas
 - Staffing at the provinces - only one accountant in each district; these are overwhelmed, and not sufficiently trained
 - There is a need for:
 - additional accounting person for each district
 - training on bank procedures especially in their operational zones
 - training on e-Sistafe for accounting staff in the provinces
 - Current audit behind schedule - project in the process of finalizing selection of the auditor; delay in submission of that report would inevitably affect board presentation of any upcoming projects under MPD and in the sector
 - FMRs – DNPDR needs to summarize information better, as well as incorporate an analytical narrative to accompany the tables produced

- Additional support from WB:
 - Assistance on preparing FMRs and procurement procedures

3. Bank Processing

- Communication with the Bank has improved substantially; interaction with relevant Bank staff (FM, Procurement and TTL) is easy and frequent
- There is a need to speed up the process of reviewing the FMRs
- Traffic light table information
 - No-objection response: within a week
 - Withdrawal application processing: 7-10 days

4. Government Processing

- No issues

5. Training

- There has been procurement training at central level and for some districts has been
- Need for frequent Portuguese language training in project management, procurement, FM and M&E

MOZAMBIQUE
Country Portfolio Performance Review (CPPR)
Questionnaire for Project Teams
Communications Sector Reform
July 23, 2008

1. Project Management

- Areas of success:
 - Strengthened the telecommunications regulator: telecommunications law and other legal aspects, training, interconnectivity, internal procedures
 - Supported the licensing of the second license cell phone operator
 - Strengthened the regulator for civil aviation

- Project performance:
 - Unit oversees two projects; project coordinator overwhelmed
 - INCM and civil aviation agency/regulator need to be more active in their respective components
 - Lack of ownership (and political will) in ministry, and by the minister impacts negatively on performance
 - The changes in the leadership in the ministry may cause delays to the activities due to a lack of institutional approach; high transaction costs

- Monitoring and evaluation challenges:
 - Not using M&E systems
 - Project unit needs better interaction with the sectors (e.g. airports, civil aviation, INCM) to have access to information
 - Lack of capacity and culture in M&E in INC and other sectors; need for capacity building
 - Need a dedicated staff to M&E to interact with INCM and other sectors on M&E

- Additional support from WB and MPD
 - Stronger oversight and ownership from MPD
 - Would like additional support (hire extra staff) to complete activities in the final phase of the project

2. Fiduciary Issues

- Procurement:
 - Projects is staffed by a Procurement Officer and Procurement Assistant
 - The staff attended various procurement trainings held in the region including procurement clinics organized by the Country Office
 - The absence of ownership and coordination between the different implementing agents in the project is also a bottleneck

- Financial Management:
 - No FMRs have been received to date

- MTC has no capacity to produce FMRs and due to constraints in time and staffing have chosen to concentrate in other areas
- Need for training in developing FMRs and analytical skills

3. Bank Processing

- No issues

- Traffic light table information
 - No-objection response: 3 days depending on complexity of request
 - Withdrawal application processing: 4 days

4. Government Processing

- Change in minister in MTC caused some delays in routine internal procedures e.g. minister signing extension request

5. Training

- There has been training for new project staff
- Need training for ministry staff in project management, procurement, FM and M&E

MOZAMBIQUE
Country Portfolio Performance Review (CPPR)
Questionnaire for Project Teams
Higher Education
July 24, 2008

1. Project Management

- Areas of success:
 - All key areas are being successfully implemented especially Quality and Innovation Fund, Program of Provincial Scholarships, UEM Institutional Program and the central management unit of the program

- Project performance:
 - Project has two components: MEC and MCT
 - The lack of PIU at MCT results in slow implementation; civil servants have other responsibilities and cannot dedicate their entire time to the project
 - Need for refresher course on WB procedures specific to each of the components
 - Need for more frequent training based on the weaknesses identified in all projects

- Monitoring and evaluation
 - M &E specialist was recently recruited based on the recommendation of the last CPPR
 - Challenge:
 - New area and complex project with many sub-components
 - Dissemination of M&E procedures and training for the various parties involved as the project comes to closure in June 2009

- Recruitment and retention
 - Recruitment is challenging in many functions due to lack of skills in the market
 - Issue at MCT: no compensation for ministry staff supporting project; hard to retain qualified staff; need for incentives
 - Mainstreaming PIUs can build up capacity in the ministries but low compensation will lead to poor retention due to better opportunities outside civil sector

- Additional support from WB and MPD
 - WB and MPD need to assess the areas in which each institution can intervene due to the limited capacity of the project units in terms of institutional arrangements

2. Fiduciary Issues

- Procurement:
 - Strong team for procurement at central level; also supports MEC
 - Challenges in designing the procurement plan for the last year of implementation

- Need WB to approve evaluation reports in a timely manner to allow for timely implementation of contracts
- UEM has a dedicated unit for the project; provides back-up support to procurement officer
- Financial Management:
 - FMRs were introduced in 2008
 - Main challenge is to receive the inputs from the seven project sub-components in time
- Additional support from WB:
 - Regular training in procurement and FM

3. Bank Processing

- Good communication with the Bank and TTL
- Disbursement halted; project awaiting LEGAL confirmation of specimen signatures due to MPD using incorrect language in letter
- Traffic light table information
 - No-objection response: 4 days
 - Withdrawal application processing: 5-10 days

4. Government Processing

- MCT has problem of counterpart funds; activities from original project/financing need counterpart funds; leads to additional pressure on the ministry
- Activities for additional financing do not require counterpart funds
- Need for improved planning within GoM

5. Training

- MCT: only procurement and FM staff have been trained; need training for more project and ministry staff
- Training requested for project management, M&E, procurement, FM as well as refresher courses

MOZAMBIQUE
Country Portfolio Performance Review (CPPR)
Questionnaire for Project Teams
Technical and Vocational Education and Training
July 24, 2008

1. Project Management

- Areas of success:
 - Developed four curriculums
 - Standards for evaluation and certification
 - Teacher training
 - Skills Development Fund

- Project performance:
 - Project delayed due to procurement process for ICB; company went bankrupt; had to re-start process
 - Poor flow of information among all donors involved
 - Different donor processes; time consuming

- Monitoring and evaluation
 - Have baseline indicators
 - Many indicators (including intermediate indicators); need to be consolidated
 - No computerized tracking system
 - Due to project delay first students will graduate in 2010, and with the project closure in 2011 there is fear that this sample of graduates will be small to enable strong comparison with baseline data

- Recruitment and retention
 - Staffed by consultants and civil servants (on leave from civil service) paid by IDA
 - High staff turnover last year; 4 key people left

- Additional support from WB
 - Project is \$10 million short; need for additional financing; to seek other donors assistance

2. Fiduciary Issues

- Procurement:
 - Different donors have different procedures
 - WB procedures are longer and more complex, but feel these add value in terms of quality or procurement compared to other donors
 - Project team agreed with WB procurement team to provide detailed procurement plan for training; will eliminate need for no-objection
 - Project teams feels that low thresholds for no-objection approval need to be improved

- Financial Management:
 - No issues

3. Bank Processing

- Good communication with the Bank and TTL
- Traffic light table information
 - No-objection response: 5 days; complex longer
 - Withdrawal application processing: within a week

4. Government Processing

- No counterpart funds for project but there is a need to have a budget allocation form MEC for maintenance of rehabilitated TVET schools
- Would like line budget from government in relation to the question above

5. Training

- Training has been in procurement and project management
- Need training in management information systems, results framework, M&E
- Results framework training needs to be provided to managers at the beginning of the project; it is more for planners than for the M&E staff

MOZAMBIQUE
Country Portfolio Performance Review (CPPR)
Questionnaire for Project Teams
HIV/AIDS Treatment Acceleration Program (TAP)
July 25, 2008

1. Project Management

- Areas of success:
 - Technical assistance:
 - partnering with WHO
 - each province has data collection staff
 - staff hired at central level to provide extra support
 - Contracting of Comunidade St Egidio, Pathfinder and Health Alliance International as service providers of HIV/AIDS treatment
- Monitoring and evaluation
 - It's a challenge to capture data at the local level due to lack of culture and motivation of staff
 - Plan to computerize monitoring system
- Recruitment and retention
 - Poor staff retention due to low incentives
- Additional support from WB:
 - To improve capacity for procurement, financial management, monopolizing and evaluation, and project management
 - Need Portuguese language training

2. Fiduciary Issues

- Lack staff for procurement and financial management; staff involved in many activities and do not specialize in certain areas
- Poor capacity for procurement planning; procurement plans and evaluation reports are not presented on time
- Additional support from WB:
 - Structure of project needs to be addressed to conform to ministry's structure and not have such a vertical systems of assigning tasks in the sense that staff specialize in specific areas

3. Bank Processing

- WB systems are different from those of other donors (common fund) and from local systems; add value
- Traffic light table information
 - No-objection response: within a week
 - Withdrawal application processing: team to provide later

4. Government Processing

- No issues

5. Training

- Project management; would like to have a consultant to provide practical training
- Training is more important in the beginning of the project , and then need to have refresher courses once a year

MOZAMBIQUE
Country Portfolio Performance Review (CPPR)
Questionnaire for Project Teams
Public Sector Reform
July 25, 2008

1. Project Management

- Areas of success:
 - Pace of implementation has picked up
 - Addressed issues highlighted at the last CPPR (see notes provided by UTRESP, ask for electronic version)

- Project performance :
 - Depends on other sectors, thus slows implementation
 - Challenge: need to improve project coordination within Utresp and with other sectors
 - Coordination with donors is a challenge for planning and M&E; slight improvement with joint donor missions
 - Need training to improve the overall quality of their work
 - Activities for this year:
 - HIV/AIDS strategy integrated in to public sector reform
 - Publish reform policies in media
 - Workshop on innovation in public administration

- Monitoring and evaluation
 - Lack of baseline data
 - M &E plan updated regularly
 - Challenge:
 - Training staff responsible for sector planning
 - Improved mechanisms to collect and analyze data
 - Information management system
 - Also there are separate M&E systems for WB, common fund and G19 donors as well as for government; need a system to integrate all these

- Recruitment and retention
 - Want to hire a program coordinator to manage technical programs (including justice sector program)
 - Mix of staff: consultants and civil servants
 - Retention an issue: lost three staff – FM, M&E, IT to AfDB, MCC and an NGO
 - Need to revise compensation package to include medical assistance

- Lessons learned:
 - Need simpler project design based on the government reform program

2. Fiduciary Issues

- Procurement:

- Procurement plan being revised due to justice sector component which has been lagging
 - No major issues
- Financial Management:
 - Audit due for Census 2007 and MAE activity – special account
 - No other issues

3. Bank Processing

- Good communication with the Bank
- Traffic light table information
 - No-objection response: 2 days
 - Withdrawal application processing: 3 days

4. Government Processing

- No issues

5. Training

- Requested training in counseling, advisory, and facilitation skills and project management
- English language training not an issue

MOZAMBIQUE
Country Portfolio Performance Review (CPPR)
Questionnaire for Project Teams
Roads and Bridges Management and Maintenance II
July 28, 2008

1. Project Management

- Areas of success:
 - PRISE started in 2007; funded by GoM through petrol taxes, 65% from donors
 - Harmonization of financial management procedures
 - Payment of VAT; WB finances the global project and not individual projects

- Project challenges:
 - Project preparation
 - Redefining pool fund due to WB requirements was problematic and time consuming
 - Project received the first disbursement only in May although submitted yearly activity plans in time
 - Pooled fund activities ongoing; procurement at advanced stages for three sections; ANE component delayed

- Monitoring and evaluation
 - M &E system is aligned to PRISE indicators
 - PARPA indicators are separated for the project indicators; road indicators were defined by GoM and donors and not by technical road staff
 - Unit for M&E needs to fine tune systems for data collection
 - Challenge in data collection:
 - Provision of consistent data by the collection units all over the country
 - Poor communication networks in the country
 - Road network was redefined therefore difficult to compare data unless agreement reached on baseline data

- Recruitment and retention
 - Staff composed of civil servants (about 10%) and consultants
 - Civil servants pay is higher than regular Government scale
 - Retention an issue for engineering staff; 5% loss; cannot poach from ANE
 - Road Fund retains staff by providing funding for graduate education

2. Fiduciary Issues

- Procurement:
 - Procurement staff from the project were not present in the meeting, but was reported the response time by the Bank to the request for no objection to be a problem
 - It was agreed that the WB procurement team will meet with the colleagues from the project to understand more about the problem

- Financial Management:
 - Difficulties in producing FMRs
 - Issues arise from many implementation agencies (provinces) and high volume of transactions (road maintenance contracts)
 - Low capacity in provinces to provide timely reports; high communication flows
 - Have problem with audits due to the FMRs
 - Use cash basis accounting and will begin using accrual basis from 2010
- Additional support from WB:
 - Training on FM, procurement and client connection

3. Bank Processing

- There are good relation with Bank staff
- 6 month learning curve for disbursement process; disbursement procedure is the same for both Road Fund and the project
- Traffic light table information
 - No-objection response: average 2 weeks
 - Withdrawal application processing: 3 days

4. Government Processing

- No issues

5. Training

- Overall training plan for the sector to be developed to take into account all donor funded projects; training to be more needs driven not supply based
- Requested on-the-job training as much as possible, especially for procurement and financial management; off-site training is not very effective
- Training on project management also needed
- English language not an issue

MOZAMBIQUE
Country Portfolio Performance Review (CPPR)
Questionnaire for Project Teams
Transfronteir Conservation Areas and Tourism Development
July 28, 2008

1. Project Management

- Areas of success:
 - The five project components
 - Partnerships with the implementation partners (local and international NGOs) in the field
 - Training for staff within the Ministry of Tourism
 - Good coordination of activities in the project

- Project performance can be improved by:
 - Recruitment of one more procurement staff due to complexity of project
 - Continual training in procurement and other key staff

- Monitoring and evaluation
 - Original M &E system is not in use; planned to use three departments: Planning (MPD), Conservation and Tourism (MT); system not work because staff in these departments are busy with other tasks
 - District staff has been trained in M&E for data collection and monitoring
 - Need to improve data analysis
 - Some indicators can only be monitored from the third year of project implementation

- Recruitment and retention
 - Retention is an issue; difficult to hire ecologists due to low salary package; difficult to retain park rangers and park administrators due to compensation package and adjustment issues
 - Synergies with DFPF not yet realized as the district do not prepare the tourism plan to integrate in the district plan; tourism plan is prepared by the project

- Additional support from WB and MPD
 - There is a need for exchange of experiences between PIUs with similar issues through workshops and project visits
 - More follow-up visits outside of supervision missions
 - Close interaction and follow-up from MPD

2. Fiduciary Issues

- Procurement:
 - Project is staffed by two Procurement Officers and one Procurement Assistant
 - The existing TA (Crown Agents) is conducting procurement training for the staff of the implementing agents

- Procurement officer and the regional coordinator of Limpopo national park will attend a regional procurement training next September
 - The procurement training for the national park staff is important because they will be in charge of managing the contracts for works planned to be carried out on their sites
 - The response time to the bank's comments or to the evaluation process was found to be long and not acceptable; this is due to the number of technical staff involved in the process
 - More regular visits by WB team to technically support the project team
- Financial Management:
 - IT software (PHC) being used not adequate for project needs; want to buy new software because it is more expensive to adjust the current software
 - There are difficulties in producing FMRs due to lack of compatibility between Excel and PHC; no data for 2006/2007 due to deficient software
 - Project does not use e-Sistafe because project was developed before existence of Ministry of Tourism and so planned as a PIU
 - Additional support from WB:
 - Project team reported the problem of the language (English) during the request for approval of the procurement processes from "Tribunal Administrativo" for the contracts that requires the international competition (ICB and shortlist not comprised by domestic firms); documents must be translated into Portuguese in order to get approval however it was reiterated by the WB team that NCB process can be only in Portuguese

3. Bank Processing

- Good communication with Bank staff
- Traffic light table information
 - No-objection response: less than a week
 - Withdrawal application processing: 6-7 days

4. Government Processing

- No issues

5. Training

- English language training is not an issue
- Need for frequent training in procurement and FM for other key staff and not just the fiduciary staff

MOZAMBIQUE
Country Portfolio Performance Review (CPPR)
Questionnaire for Project Teams
Decentralized Planning and Finance Project
July 29, 2008

1. Project Management

- Areas of success:
 - Community participation in district planning; community consultative meetings on district planning is accepted by all and mandatory
 - Regulation on local state administrations has components that are based in the project
 - Procurement regulation especially the section on works management which is also based on DPFP

- Project performance can be improved by:
 - Some components are depended on the actions by MoF and MAE and is beyond the project's control especially the development of a communication strategy and the guidelines for district finances

- Monitoring and evaluation
 - Need to develop an M&E system based on the GoM decentralization strategy and GoM M&E systems
 - District performance evaluation reports are a challenge

- Recruitment and retention
 - PIU is based within the Planning Directorate and MPD at central and provincial levels; this causes some friction due to different working environment; lack of ownership within the beneficiaries
 - Project needs to recruit 100 medium level technical staff (accounting, civil works) to work in 49 districts and later be absolved in the civil service; these have a retention rate of 75%; main problem in retention is related to living conditions in the districts especially lack of housing and other benefits, and the demand of qualified people from the private sector

- Additional support from MPD and WB
 - As a long-term goal there is a need to improve living and working conditions in the districts especially the physical infrastructures

2. Fiduciary Issues

- Procurement:
 - Project is six months from the closing date and the procurement officer has left to another WB funded project (WASIS/CRA); gentleman's agreement reached between the two projects that will allow the procurement officer to work part-time on the DPFP until its closure
 - No procurement issues raised

- Financial Management:
 - Counterpart funds were an issues at the start of the project
 - No FM issues raised
- Additional support from WB:
 - Need for more supervision rather than training

3. Bank Processing

- Traffic light table information
 - No-objection response: 5-6 days
 - Withdrawal application processing: 1-2 days

4. Government Processing

- No issues; project stated that it had submitted signatures to MPD a month ago and has not received any follow-up

5. Training

- Need to identify training needs based on issues arising during the actual work performed by working more closely with the PIU staff
- Training needs to be provided beyond the PIU staff to improve the capacity of the staff working for the project within the ministry structure; it was agreed that the ministry staff will be invited to attend the procurement clinics provided by the WB office

MOZAMBIQUE
Country Portfolio Performance Review (CPPR)
Questionnaire for Project Teams
Rail and Ports Restructuring
Beira Railway
July 29, 2008

Beira Railways

Background:

- Beira Railways is implemented by 2 agencies: CFM and CCFB
- Concession period of 25 years; provided in 2004
- CCFB does need to use WB's procedures including the need of request for no objections; they choose and send the process to the bank for concurrency
- CFM has 3 activities under implementation stage; WB procedures are followed for the procurement process

1. Fiduciary Issues

- Procurement:
 - No procurement problems were reported
 - The bank encouraged the project team to attend the WB procurement clinics in order to exchange the good practices with other projects
- Financial Management:
 - 2007 annual audit for CCFB sent yesterday to WB

2. Bank Processing

- Traffic light table information
 - No-objection response: green (i.e. less than 7 days)
 - Withdrawal application processing: 1 week

3. Government Processing

- No issues
- GoM to send official request to WB for the following:
 - 100% financing of local expenditures from IDA funds
 - Reallocation of funds
 - Project extension to 2011 to allow for completion of Sena Line beyond 2009 (minor works)

4. Training

- CFM preparing training plan for accounting and financial management training
- CFM requested assistance on financial management and project management training

Rail and Ports Restructuring

1. Project Management

- CFM component complete
- MTC component ongoing
- Issue: who will manage and maintain the ferry boats; Transmaritima (current company) to close; GOM setting up state company to initially manage the ferries and in time make it private

2. Bank Processing

- Traffic light table information
 - No-objection response: 5 days
 - Withdrawal application processing: 4 days

3. Government Processing

- Counterpart funds is an issue; GoM provided less than 25% of what was needed; need to adjust the funds needed this year
- Delays in requesting project extension due to:
 - Change in minister in MTC
 - Delays in MTC to process request letter and send to MPD

MOZAMBIQUE
Country Portfolio Performance Review (CPPR)
Questionnaire for Project Teams
National Water Development Project 2
Water Services and Institutional Support
July 30, 2008

1. Project Management

- Areas of success:
 - Rehabilitation and expansion of infrastructures
 - Management of the environmental impact of construction
 - Improved quality in service delivery of water to the cities and increase in the access period to the water
 - Resettlement and compensation process
 - Implementation of public works
 - Government commitment

- Project performance:
 - Designer of works should be involved in the evaluation of the final construction
 - Operational costs for some works are an issue
 - FIPAG and CRA issue: with the devaluation of the \$, there are gains from the exchange of SDR to \$; would like to be able to use these funds from these gains for other activities (check with Jane)

- Monitoring and evaluation
 - No issues; DNA has only consultancies; CRA collects data

- Recruitment and retention
 - Retention a challenge especially for procurement officers because staff not paid by IDA and there are better opportunities elsewhere
 - May be an issue for WASIS; CRA reluctant to use consultants and prefers to build its internal capacity; has consultant for procurement

- Additional support from WB and MPD:
 - Upward revision of thresholds for NCB and prior review
 - More contact with MPD and the beneficiaries of the project through the creation of a National Forum

2. Fiduciary Issues

- Procurement:
 - Elaboration of English language reports is a challenge
 - CRA has consultant to build procurement capacity and handles procurement for DNA
 - FIPAG: numerous approvals needed for procurement process; would like entire process to take place electronically

- Financial Management:
 - No issues
- Additional support from WB for procurement and FM:
 - More frequent procurement clinics
 - Use of other training systems e.g. APROCUR

3. Bank Processing

- Good communication with the TTL; would like to know junior level staff to liaise with
- Focal point for the project is needed in the country office to deal with the project procurement for NWDP and WASIS
- Need for more flexibility in reallocation of funds
- Traffic light table information
 - No-objection response: 4 days
 - Withdrawal application processing: 3 days

4. Government Processing

- Initially poor communication with MPD in the transition period of the new ministry; better now
- CRE approval (MoF) on contracts takes long; cannot publish result of evaluation process in 15 days are mandated by WB regulations
- Notary fee payment for registering the project financing agreement; CRA has issue with payment
- Better support:
 - Compensation process for IVA
 - Timely provision of counterpart funds

5. Training

- Staff received training within six months of recruitment
- Need training on procurement and disbursement procedures, and contracting of consultants, as well as refreshers courses once a year on procurement, project management and FM
- CRA suggest not to include consultants in the training paid by the project; only CRA's staff may benefit from the training

MOZAMBIQUE
Country Portfolio Performance Review (CPPR)
Questionnaire for Project Teams
Maputo Municipal Development Project
July 30, 2008

1. Project Management

- Areas of success:
 - PIU follows a hybrid model of management; it is integrated within the municipal institutional management system
 - Increasing unit capacity and performance
 - Ownership and commitment of the leadership regarding the project; good access to the leadership
 - Organizational learning in terms of capacity building on diverse areas such as planning, city management, etc

- Additional support from MPD and WB:
 - The process of resettlement was not identified during the project appraisal, therefore, the expenses of resettlement are not been considered as eligible for WB financing

2. Fiduciary Issues

- Procurement:
 - World bank procurement procedures are found to be very bureaucratic
 - Challenges:
 - Capacity building of the procurement staff
 - Design of procurement process/documents
 - Informatization of procurement processes is under way to improve the monitoring of the activities
 - Procurement training needs to be more simple, practical, and not too technical with case study examples

- Financial Management:
 - To be discussed with FM team

3. Bank Processing

- Traffic light table information
 - No-objection response: 10 days
 - Withdrawal application processing: 25 days

4. Government Processing

- No issues

- Project would like more interaction and follow-up from MPD, MOF and BM as the project is implemented and also especially in the preparation of the second phase of the project to allow for a better conceptualized project

5. Training

- Need for training in procurement; simple; provide examples of successful procurement processes
- PIU requested clinic on disbursement to improve the quality of the withdrawal application and reduce the number of interactions for withdrawal approval

MOZAMBIQUE
Country Portfolio Performance Review (CPPR)
Questionnaire for Project Teams
Financial Sector Technical Assistance
July 31, 2008

1. Project Management

- Project performance:
 - Project co-financed by AfDB with participation from KFW and GTZ
 - Different requirements by WB and AfDB
 - No major issues
- Monitoring and evaluation
 - Need to recruit an M&E Specialist
- Recruitment and retention
 - Financial Sector Specialist not recruited due to lack of market availability
 - Procurement officer is leaving the project to join MCC; assistant procurement officer at hand
 - Lower salary with no additional benefits appears to be the reason for leaving; need to consider medical assistance and other incentives; may bring up salary revision in next mission

2. Fiduciary Issues

- Procurement:
 - There is lack of motivation for the participation of beneficiaries in evaluation committees; need incentives to encourage participation and quality in the process
- Financial Management:
 - Need for standards FM software that can be customized according to each project needs because the softwares in the market don't meet WB standards and need to be customized
 - FSTAP not yet in e-SISTAFE; to join when e-SISTAFE has foreign exchange account
 - Need to consider interface with e-SISTAFE so able to download reports in FMR format

3. Bank Processing

- Good communication with TTL
- Traffic light table information
 - No-objection response: 1-2 days
 - Withdrawal application processing: 1-2 days

4. Government Processing

- Need more ownership of project by Government and frequent contact with MPD to allow for resolution of issues needing government intervention
- Banco de Moçambique issues:
 - Change in coordinator from their side
 - Delay consultant's work

5. Training

- Need for training in M&E

MOZAMBIQUE

Country Portfolio Performance Review (CPPR)

Questionnaire for Project Teams

Energy Reform and Access

August 1, 2008

1. Project Management

- Background:
 - Project started in Ministry of Energy and Mineral Resources that split to become two separate sector ministries
 - PIU was mainstreamed in to the newly created ministry of energy and is staffed with civil servants and only one consultant for procurement to help build capacity
- Project performance:
 - ERAP was a problem project since the mid-year review, was restructured and implementation is now picking up
- Monitoring and evaluation
 - Ministry of Energy does not do M&E; no staff for M&E
 - Study on M&E for the project has only been completed now
 - EDM collects and monitors data
- Recruitment and retention
 - Recruitment not an issue but retention is an issue for the public sector in general due to low compensation packages offered; suggested salary top-ups
 - There is no Deputy National Director, so National Director delegates a lot to staff
 - Ministry of Energy plans to recruit a consultant to analyze how to improve the department
 - Staff on new projects need to be recruited early on and not after the PPF

2. Fiduciary Issues

- Procurement:
 - Procurement process takes six months due to additional government procedures: CRE and Banco de Moçambique authorizations
- Financial Management:
 - FM capacity is weak; ministry has only one account and he is in charge of ERAP and ministry business
 - Quality and timeliness of FMR is an issue: ERAP team not using the right software package; has submitted the FMR for the first quarter of 2008 and is preparing the FMR for the second quarter
 - Audit is late; team not yet received draft from consultant
 - ERAP is not on e-Sistafe

3. Bank Processing

- Improved communication with TTL (Wendy) and procurement and FM officers based in the country office
- Traffic light table information
 - No-objection response: less than a week
 - Withdrawal application processing: 3 days

4. Government Processing

- Counterpart funds were an issue at the start, not now
- Need speed up approval for CRE (15 - 30 days) and Banco de Moçambique authorization; also increase the period of validity for CRE (valid for 90 days and in some cases that require additional payments must request other approvals)
- Banco de Moçambique does not provide letter of credit which are needed for imports; projects must open account in BdM and must request authorization from BdM to open account in commercial banks
- Additional support from MPD:
 - Approvals from MoF could be delegated to line ministries for certain thresholds

5. Training

- Training needed in M&E and refresher courses are needed in procurement, project management and FM every six months or as procedures change
- Staff or frequent Portuguese language training in project management, procurement, FM and M&E