



# Evaluating progress on the Global Partnership for Effective Development Co-operation, post Busan

Mozambique Case Study

May 2014

Development Initiatives exists to end absolute poverty by 2030



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If you have any questions or comments about this report please contact:

Development Initiatives

Shelter Afrique Building

4th Floor, Mamlaka Road

Nairobi, Kenya.

PO Box 102802-00101

T: +254 (0) 20 272 5346

Email: [info@devinit.org](mailto:info@devinit.org)

Website: [www.devinit.org](http://www.devinit.org)

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This report is authored by Euclides Goncalves of Kaleidoscopio ([info@kaleidoscopio.co.mz](mailto:info@kaleidoscopio.co.mz)) in Mozambique and Davis Adieno of Development Initiatives – Africa Hub, who carried out the research, analysis and writing.

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The analysis presented and views expressed remain the responsibility of the author and do not necessarily reflect those of DFID and Development Initiatives.

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# List of Acronyms and Abbreviations

<b>CTA</b>	Confederation of Business Associations
<b>DP</b>	Development Partner
<b>DPS</b>	Development Partners
<b>DPG</b>	Development Partners Group
<b>GBS</b>	General Budget Support
<b>GDP</b>	Gross Domestic Product
<b>GP</b>	Global Partnership for Effective Development Co-operation
<b>GoM</b>	Government of Mozambique
<b>GNI</b>	Gross National Income
<b>HIPC</b>	Heavily Indebted Poor Countries
<b>MDG</b>	Millennium Development Goals
<b>MoU</b>	Memorandum of Understanding
<b>NDS</b>	National Development Strategy
<b>ODA</b>	Official Development Assistance
<b>ODAMoz</b>	Official Development Assistance to Mozambique
<b>OECD</b>	Organisation for Economic Co-operation and Development
<b>PAFs</b>	Performance Assessment Frameworks
<b>PAPs</b>	Program Aid Partners
<b>PEFA</b>	Public Expenditure and Financial Accountability
<b>PARPA</b>	Portuguese for Action Plan for the Reduction of Absolute Poverty
<b>PARP</b>	Poverty Reduction Action Plan
<b>PRSP</b>	Poverty Reduction Strategy Paper
<b>UNDP</b>	United Nations Development Programme
<b>WDI</b>	World Development Indicators

# INTRODUCTION

## Purpose of the Study

*For over 20 years, Development Initiatives (DI) has worked towards ending extreme and chronic poverty. DI conducts and compiles statistical analysis, evaluative data and research, but crucially considers how these can be applied to strategy, policy and practice. It is this preference for using information, not simply gathering or creating knowledge that has seen DI occupy a unique space between non-governmental organisations, academic institutions, government and the private sector. The Africa Hub in Nairobi provides a regional perspective to DI's work, and views better information as being a fundamental tool to improve policies and influence the allocation of resources to address chronic and extreme poverty in the region.*

It is in this light that in February 2014 the DI - Africa Hub was commissioned by DFID to conduct case studies to generate evidence of progress, challenges, lessons learnt, impact and opportunities for the Global Partnership for Effective Development Co-operation (GP)<sup>1</sup>, in supporting implementation and monitoring of the Busan commitments in Mozambique.

The study was based on a review of the four main principles which were endorsed by the international community in Busan in 2011, namely: 1) ownership by developing countries; 2) a focus on results; 3) inclusive development partnerships; and; 4) transparency and accountability to one another. It is noteworthy that to-date 160 Governments and 45 organizations have endorsed the agreement. The Global Partnership (GP)<sup>2</sup> helps nations, businesses and organizations work better together to end poverty. It brings governments, private companies, civil society and others together to ensure funding, time and knowledge produce maximum impact for development through a set of commitments to each other, some on a voluntary basis and some differentiated depending on characteristics and capacities. The aim is to bolster co-operation efforts. The GP places particular emphasis on behavior change in development co-operation efforts, which is in turn expected to contribute to the achievement of results as defined in the developing countries' development strategies. Its aim is not to monitor development outcomes themselves, which are addressed through other international frameworks (e.g. the Millennium Development Goals)<sup>3</sup>.

1. *The Busan Partnership document is the outcome document of the Fourth High Level Forum on Aid Effectiveness (Busan, Republic of Korea, 29 November – 1 December 2011). The result of an inclusive year-long process of consultation, it benefits from the support of the broadest range of governmental, civil society, private and other actors present at HLF4. The document was finalised during HLF4 itself by a group of representatives tasked with liaising with and ensuring the support of the broadest possible range of delegations. The Busan Partnership document sets out principles, commitments and actions that offer a foundation for effective co-operation in support of international development.*
2. *The Global Partnership emerged from an agreement reached among the 160 countries, territories and organisations at the Fourth High Level Forum on Aid Effectiveness in Busan, Republic of Korea, in 2011. It fosters engagement and knowledge exchange among the many, varied actors in the implementation of the agreements reached in Busan. It also supports regular monitoring of progress in implementation of the commitments made in Busan. More information at: <http://effectivecooperation.org/about/>*
3. *2013 Guide to the Monitoring Framework of the Global Partnership, p4.*





This specific study focused on the implementation of the four GP principles in Mozambique. Aspects of the study provided pointers on the extent to which the GP is known, and on the structures that are in place, however more attention was paid to how the principles are making a difference, stressing in the study what is actually changing on the ground. Implementation of GP in Mozambique started in 2013, after the government and other stakeholders developed a Post-Busan Plan of Action for the GP in 2012<sup>4</sup>. The plan of action comprises a total of 37 indicators on a matrix of actions and a section on the monitoring and evaluation mechanism.

Overall the case study sought to understand:

1. How the GP contributed to better implementation of the Busan commitments for better development outcomes and poverty eradication in Mozambique.
2. What the key drivers of country progress, challenges and impact of the GP in Mozambique are that can help champion success or inspire support to others.
3. How access to Mozambique data and information on progress and impact of the GP can stimulate multi-stakeholder dialogue at the country and global levels for better development co-operation.
4. How implementation and monitoring of the renewed GP in a post-2015 era can be strengthened in order to enhance effective development co-operation.

**It is envisaged that the findings will provide information that could be used in key discussions and reports, including the OECD/UNDP global progress report, and also support country level accountability processes in Mozambique.**

The first and second questions reviewed actions taken by the government of Mozambique (GoM) together with other stakeholders in implementing Busan commitments in the period following the 4th High Level Forum in Busan, and how these were contributing, or not, to the achievement of development outcomes. They also sought to examine the impact of effective development cooperation on sustainable development, reducing inequality and eradicating poverty, by obtaining reflections from diverse stakeholders on Busan principle number two “focus on results”. The third and fourth questions targeted the period immediately after the study to facilitate multi-stakeholder dialogue during the First High Level Meeting of the GP in Mexico in April 2014, and the country level dissemination and strategy meetings to foster national level effective development co-operation.

It is envisaged that the findings will provide information that could be used in key discussions and reports, including the OECD/UNDP global progress report, and also support country level accountability processes in Mozambique. It is also hoped that the findings would further strengthen development co-operation in the country in the post-2015 era.

4. [http://www.africa-platform.org/sites/default/files/resources/post-busan\\_action\\_plan\\_-\\_mozambique.pdf](http://www.africa-platform.org/sites/default/files/resources/post-busan_action_plan_-_mozambique.pdf)

# COUNTRY PROFILE

## Political and socio-economic context

The Republic of Mozambique lies in South-East Africa, bordered by the Indian Ocean to the East, Tanzania to the North, Malawi and Zambia to the North-West, Zimbabwe to the West, and Swaziland and South Africa to the South-West. It is separated from Madagascar by the Mozambique Channel to the East. The capital and largest city is Maputo, situated in the South of the country. Mozambique is a low-income country whose total population stood at 25.2 million 2012<sup>8</sup>, with a population growth rate of 2.5% annually.

In 2011, 54.7% of the population (13.78 million people) lived under the US\$1.25 a day income poverty line (WDI, 2011). The country's Gross National Income (GNI) per capita, growing at an average rate of 4.0% annually since 2005, was US\$460 in 2011. By 2012, its Gross Domestic Product (GDP) was US\$14.59 billion compared to US\$10.81 billion and US\$9.98 billion for Zimbabwe and Madagascar respectively<sup>9</sup>. The Mozambican economy maintained robust performance in 2012 with a real GDP growth of 7.2% and is projected to grow further to 8.5% in 2013 and 8.0% in 2014.

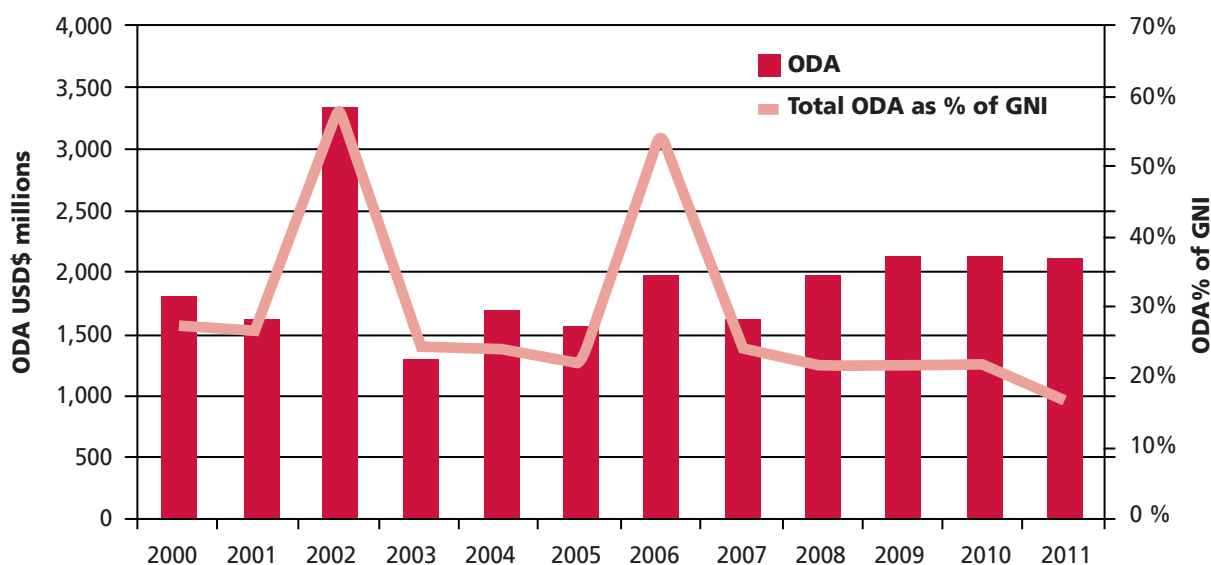


The Mozambican aid and development effectiveness landscape includes the Development Partners Group (DPG) consisting of heads of mission of multilateral and bilateral donors, among others. These are further categorised into Programme Aid Partners (PAPs), non-General Budget Support (GBS) countries, such as Japan and the United States, and the emerging economies such as Brazil and Indonesia. Although the DPG does not interact directly with the government, and has no specific terms of reference, it is open to all heads of cooperation and its monthly meetings provide a platform for information sharing. There are three main lines of support to the GoM, namely: state budget support, common/joint funds through which development partners channel funding to support specific sectors, and projects financed directly by development partners.

8. <http://data.worldbank.org/country/mozambique>

9. <http://data.worldbank.org/indicator/NY.GDP.MKTP.CD>

**Figure 1: Mozambique: ODA vs. Gross National Income (GNI)**

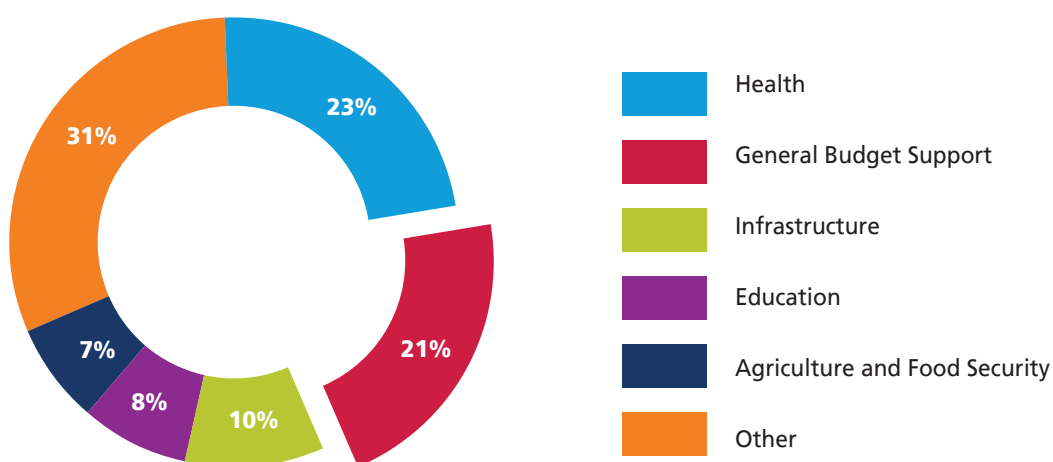


Source-Development Initiatives based on Investments to End Poverty (ITEP)

In 2011, Mozambique was the 14th largest recipient of Official Development Assistance (ODA) globally, totalling to US\$ 2.1 billion. Most of this (40.2%) was channelled in the form of grants (both cash and non-cash) and the rest via loans and equity investments (9.4%). By comparison, over 21.3% of all ODA was committed to General Budget Support as opposed to 8.6% in Burundi and 1.6% in Kenya. Further, the proportion of ODA in the country's Gross National Income (GNI) averaged 28.8%

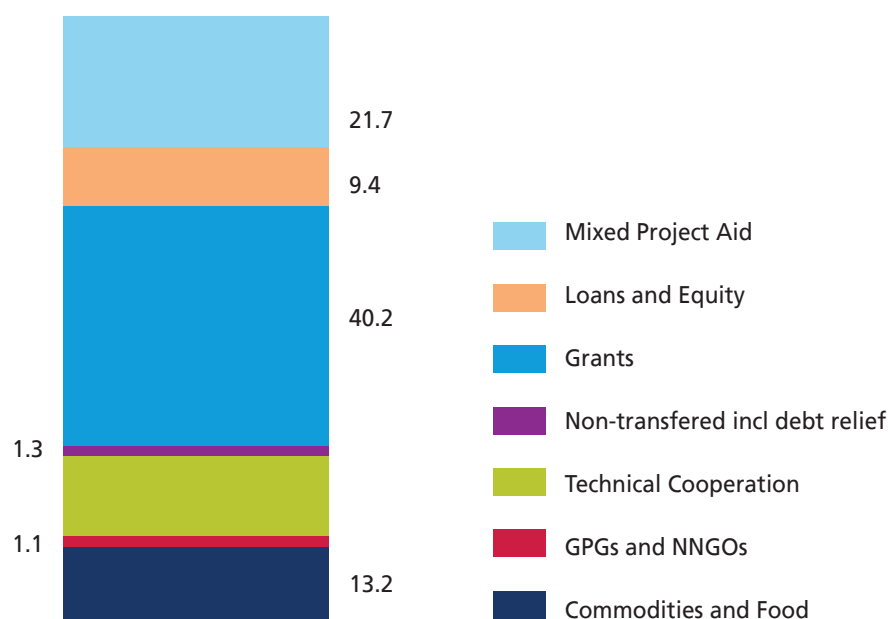
between 2000 and 2011, and while ODA flows expanded considerably between 2003 and 2013, these were outpaced by growth in the country's domestic (national) revenues. In 2011 net government domestic expenditure was US\$ 3.7 billion compared to US\$ 2.1 billion worth of ODA. Nonetheless in 2011, total ODA to Mozambique was about 55.6% of total net government expenditure. This is compared to about 42.7% in Tanzania, 64.9% in Burundi, 25.9% in Kenya and 22.1% in Ghana in the same year.

**Figure 2: What ODA to Mozambique is spent on**



Source: Development Initiatives based on Investments to End Poverty (ITEP)

**Figure 3: Composition of the ODA bundle to Mozambique (%)**



Source: Development Initiatives based on Investments to End Poverty (ITEP)

**Table 1: Resource flows to Mozambique (2000 - 2011) – US\$ Millions**

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
<b>Official Development Assistance<sup>10</sup></b>	1818.0	1640.9	3345.7	1308.1	1697.8	1576.6	1981.1	1634.4	1993.7	2141.0	2133.4	2119.0
<b>Commercial flows</b>	85.6	547.6	324.4	409.8	729.8	-80.2	58.4	570.1	616.5	1044.4	1225.8	2267.7
<b>Private flows</b>	47.6	62.3	82.9	105.2	76.9	73.9	99.6	117.9	119.8	122.0	161.8	156.8
<b>Domestic revenues</b>	1279.8	1748.5	1520.8	1653.0	1679.0	1649.0	2133.8	2370.5	2397.4	3042.7	3389.7	3723.0
<b>Total ODA as % of GNI</b>	27.5%	26.9%	58.3%	24.7%	24.2%	22.1%	54.9%	24.3%	21.9%	21.7%	22.1%	17.1%

Source-Development Initiatives based on Investments to End Poverty (ITEP)

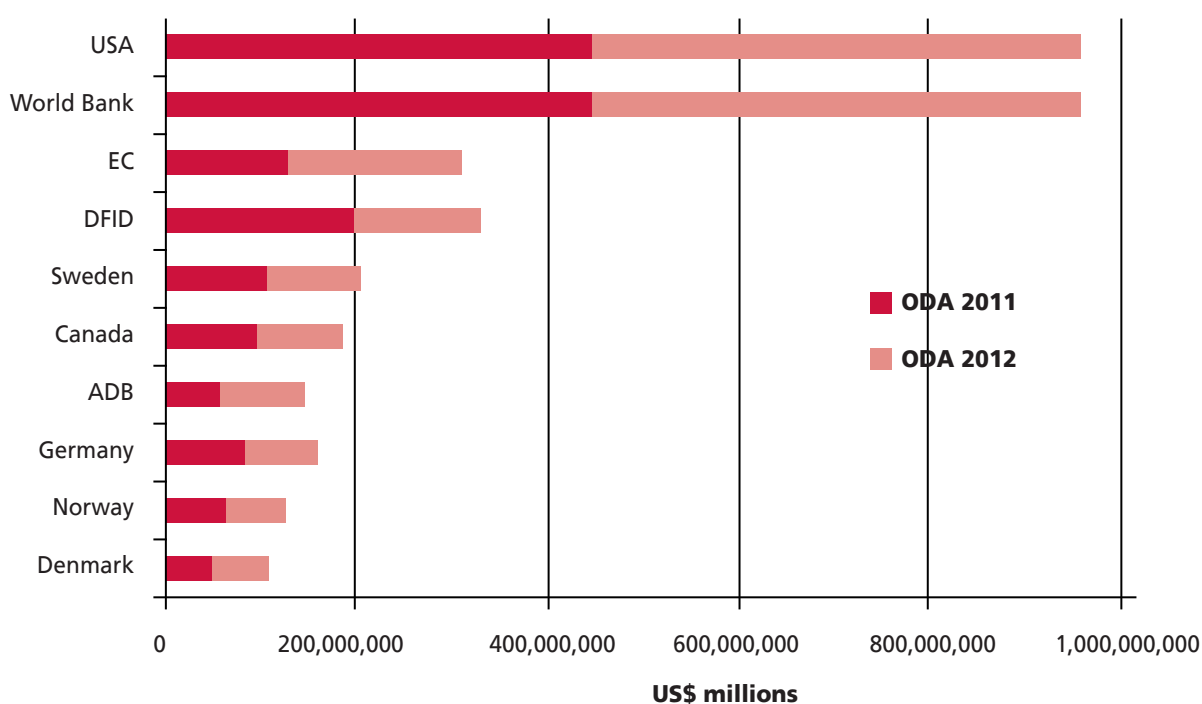
In 2011, Mozambique was the **14<sup>th</sup>** largest recipient of Official Development Assistance (ODA) globally, totalling to **US\$ 2.1billion**

10. Figures include other official flows (OOFs)

The USA is currently the largest bilateral Development Partner (DP) in Mozambique followed by United Kingdom, Sweden, Canada and Germany. According to the Mozambican Government while the total volume of ODA (of the 19 PAP) increased by 9% from 2011 to 2012, the USA and UN – disbursed 9% less and 54% respectively, corresponding to a total reduction of 19% in 2012 when compared to the disbursement in 2011. Globally, Programmatic Aid Partners and the Associate Members have increased the volume of disbursements from 1,728 million USD in 2011 to 1,729 million USD in 2012, corresponding to a percentage increase of 0.1%.<sup>11</sup>

**Mozambican policy makers and academics have acknowledged that expected availability of rents and revenues from natural resources will create opportunities that could potentially transform the Mozambican economy and the Aid architecture**

**Figure 4: Top 10 Development Partners to Mozambique (2011 – 2012)**



Source-Development Initiatives based on Investments to End Poverty (ITEP)

Mozambican policy makers and academics have acknowledged that expected availability of rents and revenues from natural resources will create opportunities that could potentially transform the Mozambican economy and the Aid architecture. Domestic resource flows are expected to dwarf aid flows in the short-to-medium term and ultimately wipe them out in the longer-term when the country fully exploits extractives and other natural resources. Budget support has reportedly decreased significantly, to reach 39.6% in 2012 and that trend is likely to continue towards 2017 when revenues from the hydrocarbon sector are expected to start flowing.<sup>12</sup>

Ramdoo (2012) notes that this new situation “is likely to significantly reduce the leverage donors have to influence governance, resulting in the government gaining more autonomy in policy making.”<sup>13</sup> But Ramdoo also asks, perhaps skeptically, if the fact that Mozambique will need and receive less aid “does it mean that development partners will suddenly become irrelevant?”<sup>14</sup> This implies that the power relationship between the GoM and development partners will change, making achievement of effective development co-operation more difficult.

11. See GoM (2013a).

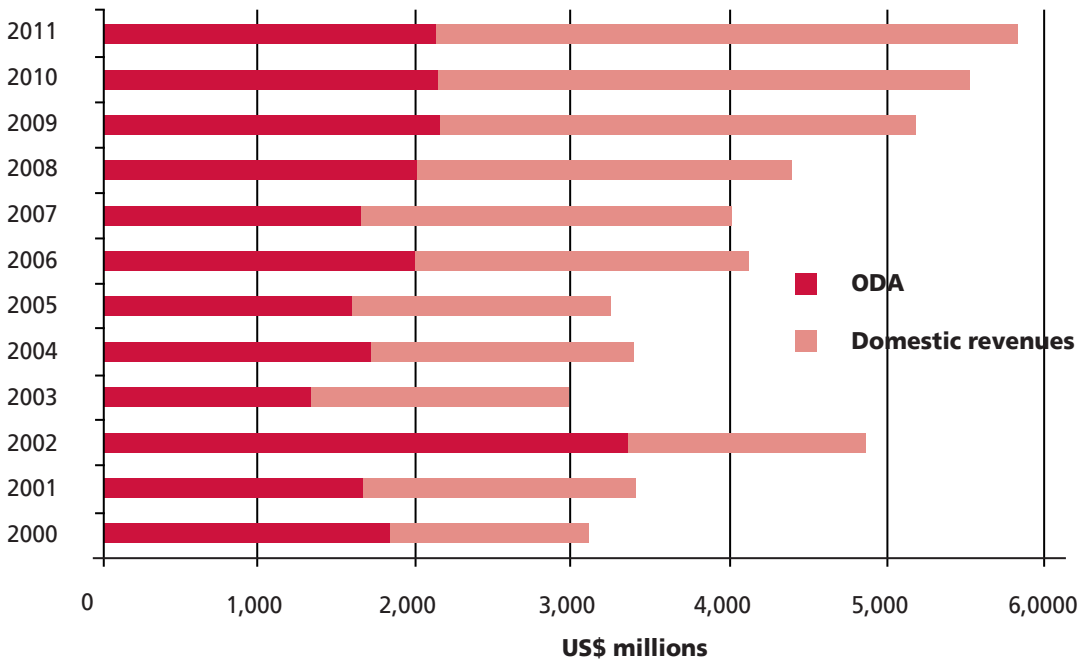
12. For recent discussions see Castel-Branco (2008), Bruschi (2012), Ramdoo (2012) and Torvinen (2013).

13. See for example Ramdoo (2012) and Bruschi (2012).

14. See Ramdoo (2012).

The 2014 Government of Mozambique’s most recent DP’s performance evaluation focuses its discussion on the ongoing changes of the existing partnerships. The figures presented in the report indicate that while globally the trend of aid flows has continued to increase with a growth of 10.1% from the year 2012 to the year 2013, PAPs’ funding to general budget support and to the common funds has reduced from 62% to 53% in the same period, indicating a relative shift in funding by DPs from the GoM, to channeling resources through other non-state actors.<sup>15</sup>

**Figure 5: Mozambique: ODA vs. Domestic Revenues**



Source-Development Initiatives based on Investments to End Poverty (ITEP)

15. See GoM (2014).

# METHODOLOGY



## Country peculiarity – why Mozambique?

Mozambique has well developed and institutionalized aid delivery mechanisms. Drawing on its experience of the “Joint Donor Programme for Macro Financial Support to the Government of Mozambique” that came into force in 2000, by 2003, it was already preparing a Memorandum of Understanding (MoU) for budget support with the Program Aid Partners (PAPs)<sup>5</sup> and went ahead to ratify it in 2004, a year prior to the landmark Paris Declaration on Aid Effectiveness. Mozambique has also subscribed to Monterrey (2002), Rome (2003), Paris (2005), Accra (2008), Istanbul, Bogota and Deli (2010) and Busan (2011) (MPD 2013).

Following revision in 2009, the MoU provides the basis for the two Performance Assessment Frameworks (PAF) that assess the performance of the government and the PAPs on their commitment to the poverty reduction strategy.<sup>6</sup> The PAF for the government is based on the Poverty Reduction Action Plan (PARP) monitoring system based on indicators extracted from the PARP strategic matrix.<sup>7</sup> The PAPs PAF is based on the adaptation to the Mozambican context of the harmonized Paris (2005) and Busan (2011) Declarations’ indicators. The PAPs performance is being assessed under the current framework – only with minor annual changes – since 2007. The study considered Mozambique to have the potential to provide invaluable lessons on implementation of international commitments.

## Respondents: Who we met

In Mozambique, the study consulted eleven key stakeholders purposively selected because of their familiarity with the Aid/Development effectiveness discourse. In Government, interviews were carried out with key officials in the Ministry of Planning and Development and Ministry of Foreign Affairs and Cooperation. Interviews were also carried out with a key representative from the private sector, four Development Partners, mainly traditional donors and five Civil Society Organizations involved in key aid and development effectiveness processes over the years.

## Tools

The study employed largely qualitative methods in gathering data and information, picking up aspects of the indicators and targets in the Global Partnership monitoring guidance. The design of the semi-structured questionnaire and interview schedules was informed by the ten indicators and targets on the Global Partnership Monitoring Framework. This was augmented by previous data collection work at the country level. A range of tools including stakeholder mapping and analysis, and semi-structured interviews were employed. The research team purposively identified interviewees from different categories of stakeholders, ensuring that the process of selection guaranteed full representation. Information was recorded through interviewer notes and where permitted, audio taping.

The analysis involved a review of each of the interview reports, identifying the key issues related to the study questions and objectives, the Busan principles and other general findings. The interview responses were presented by the researchers and recorded on a card, which also recorded the source, date and response category. Cards with similar issues were then clustered, categorized and analysed in line with the research questions, the principles and general findings.

## Process challenges

The main challenge was time constraint. There was a lengthy process of securing interviews with the respondents who could not be easily substituted because they had been purposively selected due to their exposure and wealth of information on the Busan principles. Many required official letters from DFID before granting the interviews, while others offered appointments beyond the time available for the study. Others never came through despite concerted attempts to secure appointments.

**Drawing on its experience of the “Joint Donor Programme for Macro Financial Support to the Government of Mozambique” that came into force in 2000, by 2003, it was already preparing a Memorandum of Understanding (MoU) for budget support with the Program Aid Partners (PAPs) and went ahead to ratify it in 2004, a year prior to the landmark Paris Declaration on Aid Effectiveness.**

5. *The PAPs, also called the Group of 19 (G19) from its core composition of all donors providing general budget support (Belgium, Canada, Finland, Denmark, Norway, Sweden, Austria, UK, Netherlands, Switzerland, Portugal, Germany, France, Spain, Ireland, Italy, African Development Bank (AfDB), World Bank and the European Commission (EC) and its two associate members, UNDP and the United States, one observer, Japan, and one ex-officio member, the IMF.*

6. *To adequate to national and international political and economic contexts, the 2009 MoU is under revision.*

# **SPECIFIC FINDINGS BASED ON EACH OF THE FOUR PRINCIPLES**

The Busan Partnership Agreement (§11) established the four common principles, which are consistent with agreed international commitments on human rights, decent work, gender equality, environmental sustainability and disability, and form the foundation of international co-operation for effective development.

## Principle I: Ownership

**The first principle on ownership of development priorities by developing countries recognizes that partnerships for development can only succeed if they are led by developing countries, implementing approaches that are tailored to country-specific situations and needs.**

According to the government, Mozambique has a long history of country ownership of its own development processes. This goes back to 2000 when the country adopted Poverty Reduction Action Plans (PARPs) which were developed as five-year medium term development strategies. The current PARP (2011-2014) focuses on combating poverty and promoting a culture of work, with a view to achieving inclusive economic growth and reducing poverty and vulnerability in the country. It is aligned with the vision of Agenda 2025, and is designed to help achieve the Millennium Development Goals (MDGs). Other instruments included the Medium-Term Fiscal Framework 2010-2014 (CFMP) which reflects the budgetary allocation for PARP objectives, to be pursued each year through the Economic and Social Plan (PES) and the State Budget. Stakeholders within the country developed all these government strategies in different contexts with a view of enhancing participation and ownership.

However, during feedback on the early draft of this report, a development partner pointed out how the Mozambique PEFA details some of the shortcomings of these documents in the planning and policy implementation process. In addition, there is a view shared by a number of DPs that suggests that PARPAs were adopted as a formal requisite for the country to benefit from the Heavily Indebted Poor Countries (HIPC) debt relief initiative<sup>16</sup>, and not as a planning instrument, and that in practical terms the Plano Quinquenal do Governo<sup>17</sup> was more a planning tool than PARPA. PARPA was a consensus document that sought to satisfy all stakeholders (by mentioning concern about all problems) but lacking enough prioritization and coherence.

In 2010 Mozambique developed and approved its International Cooperation Policy and its implementation strategy<sup>18</sup>. According to a government respondent,

*“...the main objective of the policy is to ensure that Government's priority of fighting poverty and promoting rapid social economic and sustainable development is met”.*

The document also highlights both the need to promote and defend national interests and gradually reduce external aid dependency. Perhaps reading the message implicit in this, one DP, from a supplementary point of view, suggested that as Mozambique consolidates its newly discovered resources, increasingly it will feel that it needs donors less.

16. The HIPC Initiative was launched in 1996 by the IMF and World Bank, with the aim of ensuring that no poor country faces a debt burden it cannot manage. Since then, the international financial community, including multilateral organizations and governments have worked together to reduce to sustainable levels the external debt burdens of the most heavily indebted poor countries.

17. [http://www.pap.org.mz/downloads/programa\\_quinquenal\\_do\\_Governo\\_2010\\_1014.pdf](http://www.pap.org.mz/downloads/programa_quinquenal_do_Governo_2010_1014.pdf)

18. Resolução no 34/2010 de 30 de Agosto de 2010

*“Mozambique has its own sources of financing. Our ability to influence government and government decisions is getting smaller and smaller. They still need us for a few more years, but after that, with the oil and gas I don’t think so. The IMF says that 2022 is the year when the fiscal gap will be closed. I think that’s ambitious, but it tells me that there will be in the medium term, a time when Mozambique will not need our cash. Whether people will still need aid of some kind remains to be seen”.*

An inter-ministerial forum for the coordination of International cooperation policy comprising the ministries of Foreign Affairs, Planning and Development and Finance monitors this policy. In 2012 the government and other stakeholders developed a Post-Busan Plan of Action for the GP. According to a government respondent,

*“The preparation followed a participatory process and collected views on actions for each stakeholder towards implementing the Busan Commitments. Of the total 36 actions identified, 17 were assigned to the Government, 8 to DPs, 5 to CSOs, 4 to parliament and 2 to the private sector. 2013 has seen all stakeholders embarking on the implementation of the Plan of Action. An evaluation of the implementation is currently being finalized and the report is planned for release in the first quarter of 2014”.*

Civil society and parliament stakeholders interviewed confirmed their participation in the process that led to the development of the Post-Busan Plan of Action.<sup>19</sup> As a result, Mozambique is seen as a frontrunner in the implementation of the GP, and this has reinforced its status as a “darling country” to development partners. Countries in the region have also learnt from the Mozambican experience to develop their own development effectiveness strategies.

There was consensus among most of the respondents that “currently the government of Mozambique sets its own development priorities, to which all Development Assistance has to be aligned”. An example is the Finnish Government’s Country Strategy for Development Cooperation with Mozambique, which is aligned to GoM’s long-term development goal. In the current Poverty Reduction Strategy (PARP 2011-2014), Mozambique’s long-term development goal is “to fight poverty and promote a culture of work, with the aim of achieving inclusive economic growth and reduction of poverty and vulnerability in the country” while the objective of the Finnish development assistance to Mozambique is “to support the GoM to combat poverty, promote inclusive growth, and reduce the socio-economic and political vulnerability of the country”<sup>20</sup>. Other DPs interviewed also indicated a move in a similar direction and media reports seem to corroborate this.<sup>21</sup>

While existing programmatic and policy documents may indicate Mozambique’s ownership of development priorities, the reality is that these documents result from processes of negotiation which include expectations and aid conditionalities that are not always explicit in those documents. For example, in the origin of the Mozambican PRSPs lie negotiations around the debt relief mechanism through the Heavily Indebted Poor Countries (HIPC) initiative launched by the Bretton Woods Institutions.<sup>22</sup> As a scholar put it in relation to the Mozambican budget support:

*“Direct budget support takes place under clearly defined conditions, namely PARPA and IMF “on-track” status; the question arising thereof is whether the Government of Mozambique can be said to “own” its development process.”<sup>23</sup>*

19. See GoM (2013b).

20. See Ministry for Foreign Affairs of Finland (2013) for the Finnish Country Strategy for Development Cooperation with Mozambique 2013-2016.

21. See for example the 2013 The Nordic-Mozambican conference on inclusive growth and reports of the visit of the French Minister of External Relations (<http://opais.sapo.mz/index.php/economia/38-economia/29014-comercio-entre-franca-e-mocambique-pode-atingir-600-milhoes-de-euros.html>).

22. For a detailed historical account of the Mozambican planning for development partnership during the democratic period see: Castel-Branco et al. (2009), MPD (2011), Vollmer (2013) and Torvinen (2013).

23. Macamo (2006, 20).

Over the years all DPs, CSOs and the Government of Mozambique have acknowledged the practical distance between what is outlined in documents and the daily practices. As one DP put it,

*“The government has a proactive approach... The government is good at developing such kind of documents but the follow up in implementation is not always good. They make it a onetime document. But this in not only when it comes to Busan.”*

In a similar view, another DP observed,

*“In government I think they also have challenges. The Ministry of Planning and Development deals with one group of actors, Foreign Affairs deals with other group of actors, industry and commerce deals with private sector, who then deal with CSOs. Who is the lead overall? We have to decide who takes the lead from the government's side. It's a challenge.”*

Such dissatisfaction over what would be effective ownership of development processes are echoed by government representatives and civil society organizations who point to DPs' aid conditionality and to government's weak commitment on the implementation of what is agreed on in policy and programmatic documents. For example, as a result of a consultation with Mozambican groups and organizations conducted in 2013, the Foundation for Community Development notes;

*“Scholars suggest that the post 2015 agenda should recommend to the governments - in the case of Mozambique - to pay greater attention to the design and implementation of policies that coordinate better with each other, especially in a scenario where dynamic development must be increasingly integrated.”<sup>24</sup>*

The relationship between the processes of negotiation that lead to the production of programmatic and policy documents and their respective implementation calls for a kind of analysis that falls outside the scope of this report.<sup>25</sup> However, it must be noted that all actors, namely, Government, DP, CSOs and the recently included private sector and parliament have shared responsibilities in ensuring an effective ownership of development process in Mozambique.

Regarding the DPs tendency towards reduction of budget support and programmatic aid in their total ODA, some interviewed DPs indicated a planned reduction, while others indicated they will continue with the current trends, if not increase their support. On a bilateral level therefore, there seems to be a conflict in positions depending on DP interests, therefore difficult to present a common position.

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24. Francisco and Sales (2013).

25. For such kind of analysis in Mozambique see for example Fleming (1996), Pijnenburg (2004) and Gonçalves (2013).

## Principle II: Focus on Results

The Busan shared principle of **focus on results** provides that investments and efforts must have a lasting impact on eradicating poverty and reducing inequality, on sustainable development, and on enhancing developing countries' capacities, aligned with the priorities and policies set out by developing countries themselves.

According to both the government and DP respondents,

*"The Government and its partners have adopted a focus on results approach to development. This is facilitated by the programme-based support to common funds and the direct financing of projects".*

Despite cases of apparent misappropriation of resources reported by CSOs and the media, government and development partners have reported high rates of effectiveness in sectoral interventions. For example, government officials and development partners who responded to the study noted that;

*"Mozambique has improved on the quantity of services provided in the health and education sectors, in the process of decentralization, public administration reforms and anti-corruption. An anti-corruption strategy has recently been approved".*

*"If you look at the Performance Assessment Frameworks (PAFs), there's quite an evolved path here in Mozambique in measuring performance. The government was, for example, able to meet 40% of its indicators in 2013 although some were missed narrowly; for some of them it was understandable why they were not met".*

However, the impact of effective development cooperation on sustainable development, reducing inequality and eradicating poverty has not kept pace with the above reforms.<sup>26</sup> According to the latest Household Budget Survey 2008/09, 54.7% of the population lives under the poverty line although the Government is aiming

at reducing that figure to 40% by 2015.<sup>27</sup> This led to a number of respondents advising that perhaps time has come to put greater attention on sectors that produce wealth. Like one of the government officials put it,

*"I think (the next High Level Forum due in) Mexico should think of channelling aid to sectors that have impact on the country's revenue. Our feeling is that emphasis should be put in sectors that produce wealth".*

CSOs agree by asking a rhetorical question:

*"Can you fight poverty without creating jobs and income generation? If you say your priority is to fight poverty then your priority must be to create jobs and generate income. When we go out to the field and talk to citizens, their priority is to get jobs, then other issues follow".*

While UNDP's 2013 report indicates that Mozambique registered the third lowest development index in the world in 2012,<sup>28</sup> various CSOs led qualitative evaluations have also indicated that Mozambicans do not feel that poverty is reducing. Access to basic infrastructures for water, electricity, transport and communication remain below regional average figures.<sup>29</sup> As such, while there seems to be an agreement on the need to focus on the production of wealth, academics and civil society organizations have pointed to the issue of inclusiveness as business opportunities and benefits associated with the exploration of natural resources are perceived to benefit only political and economic elites.<sup>30</sup>

26. See for example debate on Cunguara and Hanlon (2010).

27. See IOF 2008/2009.

28. UNDP (2013).

29. See for example: Grupo Informal de Governação and Aliança 2015 (2010) and Francisco and Sales (2013).

30. For discussions on the issue of inclusiveness see for example Hofmann and Martins (2012) and Francisco and Sales (2013).

## Principle III: Inclusive development partnerships

The third principle on inclusive development partnerships emphasizes that openness, trust, mutual respect and learning lie at the core of effective partnerships in support of development goals, recognising the different and complementary roles of all actors.

The Programme Aid Partners (PAPs) dialogue among themselves through meetings convened by the Development Partner charged with coordination. Currently, Italy leads the troika of PAPs. Development Partners indicated that they dialogue with the government through ordinary and extraordinary meetings organized at a political level. The coordination is led by the Ministry of Planning and Development at a technical level, where meetings are held within sectors, and according to the funding of programmes. During these meetings government priorities and areas of intervention by development partners are discussed and mutually agreed.

There are two available platforms through which CSOs participate in policy dialogues. The first is the bi-annual Development Observatories, where annual economic and social operational plans and reports are presented and discussed. These are held at national and provincial level. The second are the District Local Councils where district development plans and their execution are presented and discussed.

However, according to a CSO respondent, the participation of civil society in platforms such as the Development Observatories and Local District Councils is not structured in a way that allows a follow up of issues raised in these meetings. It was also noted that the dynamics in Maputo are different from the rest of the country. The CSO respondent put thus:

*“At the provincial level, there are structural and institutional challenges to the effective functioning of Development Observatories. Provincial Governors who are the conveners of these sessions report to the Ministry of State Administration, whereas the Development Observatories themselves fall under the Ministry of Planning and Development. In instances where Governors do not convene sessions, they cannot be held accountable by the Ministry of Planning and Development”.*

It was also reported that at times civil society lacks the technical capacity to make the best use of existing dialogue platforms. For example, as one CSO respondent put it,

*“...at the central level representatives of CSOs do not always have the technical competence to discuss a broad range of policy issues while Local District Councils have been turned into forums limited to discussing the viability and eligibility of projects that apply for the district development fund. They rarely work on planning and monitoring of district government”.*

According to another CSO representative, these difficulties are compounded by late communication or short notices given to CSOs by government to appear in meetings, with little or no time to read lengthy documents, inhibiting effective engagement. As a result, the potential of these institutions to influence key decisions and priorities is compromised.<sup>31</sup>

The private sector organizes two main consultative meetings with the government. The first is the Private Sector Annual Conference (CASP) chaired by the President of the Republic. Members of government and delegates from business communities from all sectors in the country attend these meetings. According to a government respondent, the aim of this annual meeting is to reflect on economic development in the country and identify difficult points and opportunities to accelerate economic growth. The second is the Expanded Consultative Council (CAC), a biannual meeting between the Confederation of Business Associations (CTA) and the Prime Minister to assess the progress in solving the problems appearing in the CTA matrices and other issues that may have arisen.

31. While earlier research had pointed to the challenges in the functioning of Development Observatories (Gonçalves and Adalima 2008), ITAD and COWI (2012) report indicates how civil society resorts to informal ways of influencing policy such as through the media.



Dialogue platforms with the private sector have a history that dates back to a 2007 agreement between the Confederation of Economic Associations (CTA) and the government. While CTA was set up to remove barriers to business growth, there has been an acknowledged need to improve the quality of participation, especially in presentation of problems and the commitment to solutions by government. In the words of a CTA representative

*“We need to improve how we in the private sector present our problems to government. For example, there are times when we focus on the consequences when we should be addressing the causes of a specific problem in the business environment. We also think that once problems have been identified, commitments from both parties need to be implemented. As it is, there is no mechanism to make government accountable to agreements we reach. For example, last year we had agreed on 21 activities but only 4 were undertaken... Implementation becomes difficult also because there is no coordinating institution that can ensure that reforms are undertaken, especially when the issues run across different ministries. We are preparing a proposal of a new model of dialogue to address those issues.”*

Private sector also makes use of other existing platforms such as the Comissão Consultiva do Trabalho (Labour Advisory Commission) where employers, syndicates and civil society discuss socioeconomic development and related issues. The Conselho de Negócios Inclusivos (Inclusive Business Council) was created in the post-Busan period and launched in 2012 with support from Dutch NGO SNV in partnership with CTA, the government of Mozambique and other economic partners.

According to a government respondent, following Busan, the Mozambican government has sought to bring to the existing dialogue platforms the Members of Parliament (MPs), the private sector and the BRICS, as well as new partners such as Japan. However, while the government shares information with MPs and private sector and invites them to attend meetings, MPs and private sector have been slow in getting involved in the development effectiveness processes. This has been in part because both private sector and MPs already had platforms of dialogue with government prior to Busan.

Another reason is that both groups of actors are aware that they have specific roles to play in the development process. While private sector takes part in platforms set to think development globally, its main focus is on issues related to business environment and the growth of business. In turn, while parliamentarians contribute to the development process by conducting field visits from which they pass on to government demands from communities, their main contribution is in the provision of the necessary legislative framework and monitoring of government’s policy implementation.

The BRICS and other countries from the emerging economies as well as Japan have recently joined the platforms created on the basis of the MoU between the government and traditional development partners. However, according to DP and CSO respondents, the contribution of the BRICS, emerging economies and even Japan to these meetings is limited. In fact, interviewed stakeholders noted that “the new group of actors’ preferred participation was as ‘observers’, which may be read as an indication of their preference for bilateral cooperation.

In fact, among stakeholders, there is a widespread perception of the weakening of the GP approach to dialogue. According to one DP, initially, consensus among the group of traditional development partners, and between them and the government was always easily reached. Now, according to CSO respondents,

*“While the introduction of new actors may have altered the dynamics of the relationship between traditional development partners, new diverse and not publicly declared interests have created mistrust and a preference for bilateral agreements”.*

A DP respondent put it more starkly thus:

*“The coordination between traditional, non-traditional partners and the private sector is much weaker than perhaps it was envisaged and I would think it’s because there are conflicting interests and priorities...”*

*“... a lot of donor policies are also changing at HQs with policies focusing on untied aid. It’s now part of our agreement to do trade. If you look at most of the DPs they’ve all have had big trade missions here recently”.*



*"...it's interesting that perhaps there are some development partners now who are also looking at Mozambique with an economic eye, given that it is going to be the second largest producer of natural gas in the world, how do I get in? Mozambique is going to be a huge economy, what are the opportunities for our companies?"*

*"(Therefore) I think that in Mozambique the nexus is changing in that some of the donors have economic interests. So in some cases they will not care if there are PFM issues and just disburse to be on the good side of government. ...If some donors are prepared to go ahead no matter what, then it weakens the case for common action".*

As a result, Mozambique is seeing the emergence of new alliances between the members of the group of traditional Development Partners. A good example of this is the Nordic-Mozambique conference held in May 2012.<sup>32</sup>

Almost all respondents were of the view that the GP is still a desirable model for development effectiveness since it brings together multiple stakeholders in open and transparent forums. They observed it is a good forum to exchange ideas and experiences with other countries. However, CSO respondents raised questions about the sustainability of the model, especially when traditional Development Partners are changing the focus of their respective development cooperation strategies and the new emerging partners seem to see little value in this institution.

Many DPs remain close to GoM. However, according to CSO respondents, the rationale given for "closeness" continues to change and is based more on economic interests and bilateral negotiations rather than on how entrenched the institutions and structures for development effectiveness are. According to the conclusions of the Nordic-Mozambican Conference in May 2012, Finland for example, "is committed to supporting — in collaboration with the other Nordic countries — the promotion of inclusive growth and private sector development, including public-private partnerships in Mozambique".<sup>33</sup>

**... Mozambique is seeing the emergence of new alliances between the members of the group of traditional Development Partners. A good example of this is the Nordic-Mozambique conference held in May 2012.**

32. <http://mozambique.um.dk/dal~/media/Mozambique/Documents/News/Inclusive%20Growth%20publication%20-%20EN-Proof%201.pdf>

33. Finnish Country Strategy for Development Cooperation with Mozambique 2013-2016, <http://formin.finland.fi/public/default.aspx?contentid=274551> (P11).

## Principle IV: Transparency and accountability

**The fourth principle on transparency and accountability to each other states that mutual accountability and accountability to the intended beneficiaries of our co-operation, as well as to our respective citizens, organisations, constituents and shareholders, is critical to delivering results. Transparent practices form the basis for enhanced accountability.**

On the basis of the existing MoU between government and the traditional Development Partners, PAFs have been developed for government and Development Partners. While government's PAFs are drawn out of the PRSPs, according to a government official, "mutual accountability is based on indicators from the Busan commitments to evaluate what gets into the state budget".

Mozambique has a publicly available online database (ODAMOZ) that provides information on Official Development Assistance (ODA) to Mozambique. According to sources in Government,

*"the original version was created in response to the Paris Declaration advocating for strengthened coordination and harmonization among donors and alignment with the government of Mozambique."*

However, according to CSOs interviewed,

*"most of the government information only becomes available during planning, reporting and annual meetings".*

According to DPs and government officials interviewed, the sector programmes are monitored by active participation in the relevant sectoral donor and joint working groups. Budget execution of relevant ministries is reported quarterly and performance is analysed annually. On their part, CSO respondents said that they produce an Annual Report on Development Challenges (RAD) on the basis of data collected from permanent observation points in the district through mainly participatory and consultative processes.

However, according to them, there is increasing concern about transparency and accountability, particularly with the State Budget. DPs interviewed also indicated that

*"...there have been instances of reported non-transparent transactions with unsatisfactory explanations to the public and other stakeholders".*

CSOs respondents said,

*"...at times the government has shown difficulties in timely sharing of its budgets information with us, and when transgressions related to the execution of the budget are identified by the Administrative Tribunal and sent to parliament, any actions are rarely taken".*

This points to a situation of weak articulation in some state institutions. Furthermore, CSOs respondents were concerned that "because the BRICS are not part of the Performance Assessment Frameworks (PAFs), there is a risk that their new focus on growth may lead to losses in the fields of good governance, transparency, accountability and human rights". Some DPs seem to be conscious of that possibility and as they retreat from GBS, it was reported that "some traditional DPs are channelling more resources to CSOs who work on issues of good governance, political participation and accountability".

While DPs and CSOs have pointed to issues related to good governance, political participation and accountability, the government of Mozambique has made reference to mutual accountability. The need to improve the predictability of disbursements, both for General Budget Support and the Common Funds

34. [www.odamoz.org.mz](http://www.odamoz.org.mz)

has been, for years, mentioned in DPs PAFs and was again mentioned during the case study interviews and the 2013 government's PAF evaluation report.<sup>35</sup> In its 2013 report, the government of Mozambique states:

*“Concerning predictability and transparency, monitored by indicators (6-14), the PAFs have not achieved the respective targets. Regarding short-term predictability, the monitored indicators (9-12) also showed that the PAFs did not reach the planned targets and all indicators worsened their performance.”*

Following the commitments set in Busan, Mozambican parliamentarians have sought to link up with their counterparts in the DPs countries, but the openness of these fellow parliamentarians is not translating into the sharing of more information regarding the availability and predictability of funds. The situation results from the fact that like in many countries, it is not the parliamentarians who decide when and how aid is finally disbursed and used.

While there have been calls from MPs and civil society to improve the timing and quality of information made available to the public,<sup>36</sup> it must be noted that progress has been made in relation to the publication of state budget related information. For example, due to joint work by parliamentarians and CSOs, the National Budget Directorate and the National Planning Directorate provide in their respective web pages information related to the State Budget and its execution and are also working in providing the same information presented in formats like brochures so that it is accessible to the wider public.

**Following the commitments set in Busan, Mozambican parliamentarians have sought to link up with their counterparts in the DPs countries, but the openness of these fellow parliamentarians is not translating into the sharing of more information regarding the availability and predictability of funds.**

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35. See for example Killick, Castel-Branco and Gerster (2005), Castel-Branco et al (2009) and GoM (2013a).

# **GENERAL FINDINGS**

*Aware of past experiences with for example Paris, Accra, Busan, and aware that Mozambique takes its commitments seriously, representatives of civil society interviewed expressed concern over the fact that 2015 might bring yet new commitments that will disrupt progress on existing ones, given that implementing Busan commitments in the country only started in 2013*

**1. Mozambique is fast in ratifying and establishing processes and institutional frameworks to implement international aid and development effectiveness agreements, thereby retaining the “darling country” status among Development Partners.**

For example, in contrast to a number of other countries that have subscribed to Busan (2011), Mozambique was among the first to appreciate the urgency with which the actions agreed in Busan would need to be implemented, as per the Declaration and to develop a Post-Busan Plan of Action for the implementation of GP with responsibility shared across all stakeholders.

**2. The frequent changes in aid and development effectiveness indicators after each High Level meeting at the global level continue to produce transactional costs as new institutions and principles need to be harmonized with previous ones that are still being consolidated.**

Aware of past experiences with for example Paris, Accra, Busan, and aware that Mozambique takes its commitments seriously, representatives of civil society interviewed expressed concern over the fact that 2015 might bring yet new commitments that will disrupt progress on existing ones, given that implementing Busan commitments in the country only started in 2013.<sup>37</sup> It was reported by government officials that their technical staff are already anticipating and preparing for adoption of the Post-2015 commitments on sustainable development.

**3. At country level, the Global Partnership distinctiveness appears to be changing. The structures exist and are well entrenched but the effective dialogue and mutual accountability is not matching the structures.**

Respondents including DPs, GoM officials and CSOs were of the view that changes in the national and international political and economic context including the prospect of increased revenues from natural resources and the presence of new development partners from the BRICS and Japan are affecting the relationship among traditional aid partners themselves, the government and civil society. The government and DPs seem to be shifting focus to wealth creation and economic cooperation, and new alliances based on bilateral or commercial interests are being forged.<sup>38</sup>

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37. See GoM (2013b)

38. See for example Finland's Country Strategy for Development Cooperation with Mozambique <http://formin.finland.fi/public/default.aspx?contentid=274551p12> and, the 2013 The Nordic-Mozambican conference on inclusive growth, and reports of the visit of the French Minister of External Relations (<http://opais.sapo.mz/index.php/economia/38-economia/29014-comercio-entre-franca-e-mocambique-pode-atingir-600-milhoes-de-euros.html>).

**4. There is limited participation in aid and development effectiveness meetings by the 'new group of actors' for example the BRICS and Japan, and a weakening of consensus building among traditional development partners and between them and the government**

The new group of actors choose to participate as "observers" or say they are "out to learn". One of the interviewed officials from this new group of actors confirmed this position. This is read as an indication of their preference for dealing with the government bilaterally. While the introduction of new actors may be considered to have altered the dynamics of the relationship between traditional development partners, new diverse and not publicly declared interests have created mistrust and a preference for bilateral agreements.

**5. The potential of some players to influence key decisions and priorities is compromised by lack of capacity and late invitations to meetings and forums to contribute to an already defined agenda**

This particularly affects CSOs at the national, provincial and local levels. For example, the participation of civil society in platforms such as at the Development Observatories and District Local Councils is not structured in a way that allows a follow up of issues raised in these meetings. Language, conceptual and other technical barriers coupled with capacity challenges limit the ability of CSOs to participate meaningfully in discussions.

**6. Private sector prefers to use its own dialogue platforms as opposed to engaging government through development co-operation and aid effectiveness meetings**

This was attributed to the fact that the Private Sector already has specific dialogue platforms with the government, for instance the Private Sector Annual Conference (CASP) chaired by the President of the Republic, and the Expanded Consultative Council (CAC), a biannual meeting between the CTA and the Prime Minister to assess the progress in solving problems and other issues that may have arisen.

**7. Post Busan, the Mozambican government has sought to bring Members of Parliament to meetings to prepare and implement the post-Busan plan of action;**

MPs in Mozambique were involved in the processes that led to the commitments of Busan and the formulation of the subsequent plan of action, however parliament considers its main role in the process as monitoring and providing oversight.

**8. While there is progress in Government openness, there is an ongoing demand from MPs and CSO for timely sharing of budget information, especially the state budget.**

Development Partners and CSOs cited instances of late access to information which in turn does not allow for an evidence based discussion of perceived non-transparent transactions which the government has not explained satisfactorily to the public and other stakeholders.

# CONCLUSIONS AND RECOMMENDATIONS

## Conclusions

The Mozambique government has always been responsive, quick to subscribe to and commit to international agreements. It adopts and uses these frameworks to involve other stakeholders (CSOs, Private Sector, Donors, and Parliament etc), creating a sense of ownership and actions across its own sectors. Mozambique provides invaluable lessons on implementation of international commitments.

There were serious concerns by most respondents that frequent revisions in principles and commitments as a result of global processes disrupt progress. This is because of the need to develop revised strategies to align to the new ones, in effect requiring new monitoring frameworks. They observed that international agreements and commitments take time to settle and achieve results hence they called for more stable longer-term commitments, with regional and international support to drive momentum and strengthen weak partners.

Despite a history of country-owned and country-led development priorities reflecting the interests of all actors, over the same period, poverty has not reduced in rates commensurate to the efforts.

Across the spectrum of respondents, all were of the opinion that there is a perception of the changing dynamics in the GP approach, especially regarding dialogue and consensus building among various stakeholders. It was observed that while the introduction of new actors may have altered the dynamics of the relationship between traditional Development Partners, new diverse and not publicly declared interests have created mistrust and a preference for bilateral agreements. As one DP put it,

*“...you can't herd cats, but you can bring them together with a bowl of milk. There has to be incentives to keep us together. In the post 2015 agenda we need something to coalesce around, and that's where we should be focusing our energy right now since its (only) one year away”.*



## Recommendations

1. The GoM should find ways and means to make participation in the established forums more meaningful for all stakeholders – New DPs, Parliamentarians, Civil Society, the private sector, local governments and citizens. The capacity of CSOs, private sector and parliamentarians needs to be built to substantively participate and contribute to these processes. On the other hand, these groups need to do more to build their own capacities, proactively bring issues to the table and require that the government and development partners respect and adopt their priorities and that of citizens. The existing platforms and forums need to recognize the importance of the shared principles, adopt them as part of their core business, integrate and entrench them within their discussions with government. Deliberate efforts should be made within the monitoring frameworks and matrices to measure progress on this.
  2. DPs and the GoM, along with all other stakeholders need to examine why poverty has not been reducing at the expected rate and agree on what it takes to change the trajectory. There is therefore an urgent need for all stakeholders to focus on results by re-evaluating current investments and interventions to respond to citizen priorities, lift and keep citizens out of poverty through sustainable development. There is an opportunity to leverage on emerging natural resources and partnerships to ensure they are citizen-centered and poverty focused.
  3. 'The realm of the unspoken' needs to be urgently examined to assess whether ownership, inclusivity, focusing on results and transparency and accountability are more of a rhetoric, rather than what they are really meant to achieve. A better and in-depth understanding of the spirit behind the principles needs to be in calculated in all stakeholders to harmonise the divergent views. The different stakeholders therefore need to openly and genuinely discuss the validity, understanding, commitment to, and the usefulness of the principles in their development priorities. They should table and openly discuss their concerns, real challenges or benefits in subscribing and implementing the principles, in order to find workable solutions to the benefit of ordinary Mozambicans.
  4. The perception of lack of transparency and accountability, in particular with the State Budget in Mozambique needs to be addressed by the government and all stakeholders before it spreads and spirals out of control. Additionally, all other stakeholders in Mozambique need to play their role in further strengthening institutions that enhance transparency and accountability, nurture access to quality information and strengthen participation in the true spirit of partnership.
  5. The GP model in Mozambique needs to evolve to take cognizance of the rapidly changing dynamics and key factors weakening policy dialogue, including the emerging donors, the change in strategies by traditional donors, the newly discovered natural resources and how this is playing out with the renewed focus on trade and economic interests. All these are already in motion, will not be reversed and are the new reality or context within which the GP is being viewed and operationalised. Therefore, incentives must be provided to mobilize stakeholders around common issues and accommodate diverse interests if the renewed GP is to be strengthened in the post-2015 framework.
  6. Mozambique should be credited for its ability to ratify and establish processes and institutional frameworks to implement international aid and development effectiveness agreements. However, the government needs to go a step further and ensure that these processes and institutional frameworks result into real change on the ground, especially in the lives of ordinary Mozambicans, who to a large extent are not privy to these agreements and commitments, but are their primary targets.
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# **APPENDIX – 1:**

# SELECTED QUOTES FROM RESPONDENTS

## Country ownership

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### Development Partners

*"In government I think they also have challenges. Ministry of Planning and Development deals with certain types of people, Foreign Affairs deals with other certain types of people, industry and commerce deals with private sector, who then deal with CSOs. Who is the lead overall? We have to decide who takes the lead from the government's side. It's a challenge."*

*"Mozambique has its own sources of financing. Our ability to influence government and government decisions is getting smaller and smaller. They still need us for a few more years, but after that, with the oil and gas I don't think so. The IMF says that 2022 is the year when the fiscal gap will be closed, I think that's ambitious, but it tells me that there will be in the medium term, a time when Mozambique will not need our cash. Whether people will still need aid of some kind that remains to be seen."*

*"There's still a huge role for development agencies, whether through bilateral arrangements, or some development agencies trying to strengthen systems at the local level, because the reach of the central government, though improved, is still limited and the levels of poverty are high. Even in 7 or 8 years time just because it has the money, it does not mean this will solve all problems."*

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### Civil Society Organisations

*"Our state is very weak, extremely weak and Paris, Busan, Accra are not reinforcing the state on this. Everything, for example technical assistance, is coming from outside, not even within the region."*

*"Most of the global agenda affects our national agenda but with priorities that do not reflect the priorities of the citizens. For example the Afro-barometer gives the priorities of African citizens. Why are these priorities not reflected in Global policies?"*

*"There is no relationship between the agenda 2025, African peer review mechanism and the country priorities. Most of the priorities introduced by the government are not related to the strategic plan to fight poverty. There is a contradiction between. Most of the PAPS strategies are instruments for resource mobilization for the government to implement those things that they think are a priority for the party. For example the 7 million fund for rural development in Mozambique. There are no indicators"*

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## Inclusive partnerships

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### Development Partners

*"The space has been opened up and civil society will be part of the discussion for post 2015. But they need to keep their corner and make sure that donors as well as government are listening to them, and that the space remains for them to engage. It's up to them to ensure that it's not slapped close."*

*"I've been here a few months and I have heard Busan twice, then I go and talk to colleagues in the Ministry of Planning and Development (MPD) and they say, we've been talking to emerging donors. We have a problem talking to traditional donors about Busan, because they all seem to be focused on something else. So I think there's a divergence on what we agreed in Busan and an understanding of everybody of what Busan is all about."*

*"The coordination between traditional, non-traditional, private sector is much weaker than perhaps it was envisaged and I would think it's because there are conflicting interests and priorities. We are all meant to be working towards a common goal, but I'm not quite sure that non-traditional donors have the development of Mozambique in general at heart."*

*"Busan did well in bringing multiple stakeholders on board, in many ways that was a good thing to do. But then it lost some focus. The idea was to do away with the working party on aid effectiveness and to have the GP, which was meant to be global light and country heavy. I think that has been a challenge, especially having some mechanism on the ground. It's difficult to do a global light because this is a big thing and some of the country partners do not have the capacity. The global coordinating body was given a role with no sufficient resources."*

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### Civil Society Organisations

*"We are participating more and the government is more open including the legislature and executive at the ministerial level. That's positive and presents opportunities. On the other hand, my question is how do we institutionalise these opportunities? Are they dependant on occasions, and people on our side as civil society, the executive and legislature? Is our participation strong enough? We are worried because if some officials left, will this last? For example, we know two members of parliament in the commission of planning and budget that are very open. If they leave is the openness going to remain?"*

*"It's important to realize that although the global agenda comes up with these international partnerships, this has one weakness, it is as though sometimes they don't know what they are talking about. For instance, if an ambassador comes here for five years, and when they come they don't know anything about the political and socio-economic context, as soon as they start to understand the system they are moved. This does not help since they can't consolidate and develop long term partnerships with government and create trust among different actors"*

*"It is important to understand that even this platform of dialogues that exists between government and donors, the government takes so much time to deal with complexities of the deals, which makes life so difficult, since so much time is spent by competent people responding to donor demands"*

*"There is no genuine public space for dialogue since this is directly controlled by the same party. However, social media is emerging as an important tool to mobilize people and exert pressure on government to create space for dialogue and promotion of the relationship between the state and citizens"*

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The big problem is that it is always a challenge to create coordination and common understanding to achieve results. It is difficult to create an indicator that measures success and therefore demonstrate it

## Focus on results

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### Development Partners

*"If you look at the Performance Assessment Frameworks (PAFs), there's quite an evolved path here in Mozambique in measuring performance. The government was, for example, able to meet 40% of its indicators in 2013, although some were missed narrowly, some it was understandable why they were not able to meet. "*

*"Maybe we were being too ambitious in Busan. I get the sense that the traditional principles behind aid effectiveness are not as committed to as they were, especially by the traditional donors. A lot of donor policies are also changing at HQs with policies focusing on untied aid. It's now part of our agreement to do trade. If you look at most of the DPs they've all have had big trade missions here recently."*

*"PFM systems in Mozambique are better than they were 10 years ago. But most donors are still intolerant to any kind of risk. That's a major change and everyone wants to see results for their investment. In terms of structures I think MZ has particular issues because we have aid effectiveness structures that have been around a long time, but these have coalesced around GBS or General Budget Support, instead of around development partners as may be in some other countries."*

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### Civil Society Organisations

*"One of the key problems with the international community or donors is creating so many tools to achieve the same results. This is a challenge. Can you fight poverty without creating jobs and income generation? If you say your priority is to fight poverty then your priority must be to create jobs and generate income. When we go out to the field and talk to citizens, their priority is to get jobs, then other issues follow; corruption, good governance etc"*

*"Why are all development partners strategic plans 5 years? Why not develop long term strategic plans, for example for 25 years and consider monitoring results each year"*

*"The big problem is that it is always a challenge to create coordination and common understanding to achieve results. It is difficult to create an indicator that measures success and therefore demonstrate it"*

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## Mutual accountability

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### Development Partners

*“There’s an interesting one in terms of mutual accountability by the PAFs, and the inability of some donors to be able to achieve what they’ve set out in terms of their own PAFs. While perhaps there is some incentive for the government to meet its indicators in the PAFs, what are the incentives for the donors? Apart from the fact that the top three get a certificate to say well done. What are the real incentives? I would think those incentives are getting less in terms of, if for example I get to score badly my headquarters is not going to castigate me? I don’t think so. The incentives for the PAFs are very different from the incentives for the government. The incentives for the PAFs are rarely at country level. In general terms the incentives are around risk, not encountering fraud or PFM issues, and to a certain extent results, rather than being more predictable.”*

*“There are other incentives now, and some development partners will take a greater risk. I think in Mozambique that nexus is changing, in that some of the donors have economic interests. So in some cases they will not care if there are PFM issues and just disburse to be on the good side of government. This makes donor coordination weaker. If some donors are prepared to go ahead no matter what, then it weakens the case for common action. But it’s interesting that perhaps there are some development partners now who are also looking at Mozambique with an economic eye, given that it is going to be the second largest producer of natural gas in the world, how do I need get in? Mozambique is going to be a huge economy, what are the opportunities for our companies?”*

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### Civil Society Organisations

*“All these international instruments, Paris, Accra, Busan, emphasize co-operation. But how do you co-operate when different donors have different agendas? They all work in different sectors; health, education, agriculture, water and sanitation”*

*“There are so many different types of instruments created and signed between donors and the government, even within the G19 itself. If these were properly applied it seems they would have easily suspended money to Mozambique, but because of emerging opportunities and vested interests these are manipulated and never followed fully. The government knows, and they can play with all these instruments”*

*“There is more contact between donors and government, rather than donors with civil societies. There is no forum where donors can sit with CSOs to discuss the future of the country. Donors have to increase access to information by CSO on how much is received for projects in the country.”*

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## Opportunities for the renewed GP in post 2015 framework

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### Development Partners

*"The GP model needs to evolve somehow since you cannot achieve different results with the same model, especially if it's not working. I believe we have to concentrate at the country level, but it also needs a strong structure at the global level. One of the things that the previous working party on aid effectiveness did and which was one of the ways that was an incentive to be aid effective was through the global monitoring of aid effectiveness, and the discussions of that at the international level feeding into peer reviews of traditional donors. That was a huge incentive because we wanted to be a good donor with the OECD. In essence that's what guarantees our aid programmes and provided some quality assurance. We could then go to the press and say we are one of the best donors according to the OECD. Having a good mark on aid effectiveness at the global level and for that to be recognised was a key incentive. But that's weakening a bit. One of the benefits of Paris was that it had a fairly simple framework to measure aid effectiveness. I'm not sure if I can say the same for Busan."*

*"There is still a need for aid effectiveness. We need to be reminded that the world is changing and the nexus of resources is also changing. If I were to put percentages on global heavy and country light this would be 20% and 80% respectively. It doesn't need to be a massive structure like the working party, but somehow strong at the international level. At the country level there needs to be better donor coordination and dialogue between the G19 and the DPG."*

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*"Like somebody said you can't herd cats, but you can bring them together with a bowl of milk. There has to be incentives to keep us together. In the post 2015 agenda we need something to coalesce around, and that's where we should be focusing our energy on right now since its one year away."*

### Civil Societies

*"Reforms, reforms, reforms, this is another disease that African countries face. Just after colonialism there were fewer reforms but greater impact. Now if you have a process or programme, there are so many evaluations, once you consolidate the system; they are already changing, and as you start to settle you are asked to reform."*

*"In the renewed GP we would like to see simple systems and procedures. We have to reinforce the donor capability to understand the political economy of the countries before their interventions"*

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# APPENDIX – 2

# MAJOR POINTS OF AGREEMENT OR DISAGREEMENT ON PRINCIPLES BY RESPONDENTS

NO.	SHARED PRINCIPLES	MAJOR POINTS OF AGREEMENT	BY WHO	MAJOR POINTS OF DISAGREEMENT	BY WHO
	Country Ownership	Mozambique has a long history of country ownership of its own development processes.	DPs GoM officials CSOs	None	None
		Government of Mozambique sets its own development priorities, to which all Development Assistance has to be aligned	DPs GoM officials	There is no relationship between the agenda 2025, African peer review mechanism and the country priorities. Most of the priorities introduced by the government are not related to the strategic plan to fight poverty. Most of the PAPs strategies are instruments for resource mobilization for the government to implement those things that they think are a priority for the party.	CSOs
	Focus on results	The Government and its partners have adopted a focus on results approach to development and have reported high rates of effectiveness in sectoral interventions for example improved quality of services provided in health and education.	DPs GoM officials	The big problem is that it is always a challenge to create coordination and common understanding to achieve results. It is difficult to create an indicator that measures success and therefore difficult to demonstrate it	CSOs
		The government was able to meet 40% of its indicators in 2013 although some were missed narrowly	DPs and GoM	Can you fight poverty without creating jobs and income generation? If you say your priority is to fight poverty then you priority must be to create jobs and generate income. When we go out to the field and talk to citizens, their priority is to get jobs, then other issues follow.	CSOs
		However, the impact of effective development cooperation on sustainable development, reducing inequality and eradicating poverty has not kept pace with the reforms. According with the latest official figures, poverty still stands at 54.7% of the population (13.78 million people)	DPs CSOs GoM officials	I think (the next High Level Forum due in) Mexico should think of channeling aid to sectors that have impact on the country's revenue. Our feeling is that emphasis should be put in sectors that produce wealth	GoM CSOs

<b>Inclusive development partnerships</b>	Since Busan multiple stakeholders have been brought on board and there is increased participation	GoM officials DPs CSOs	Inclusivity is not supported by requisite capacity and therefore CSO participation not strong enough and remains strongest at capital city level	CSOs
	Civil society also lacks the technical capacity to make the best use of existing dialogue platforms	DPs CSOs	None	None
	There is a widespread perception of a change in the GP approach to dialogue due to emerging donors, economic interests and discovery of natural resources	GoM officials DPs CSOs	None	None
	The GP is still a desirable model for development effectiveness since it brings together multiple stakeholders in open and transparent forums, but it needs to evolve to reflect socio-economic and political realities of Mozambique.	GoM officials DPs CSOs	Questions have been raised about the sustainability of the model given that traditional development partners are changing the focus of their respective development cooperation strategies and the new partners seem to see little value in this institution	CSOs
<b>Mutual accountability</b>	Mozambique has a publicly available online database (ODAMOZ) that provides information on Official Development Assistance (ODA) to Mozambique	GoM officials DPs	Most of the government information only becomes available during planning, reporting and annual meetings and the government has shown difficulties in timely sharing of its budgets information with them	CSOs
	There is increasing concern about transparency and accountability, particularly with the State Budget with instances of reported non-transparent transactions with unsatisfactory explanations to the public and other stakeholders	DPs CSOs	None	None

# **APPENDIX – 3:**

# Interview Guide

## 1. Country Ownership

- To what extent is Mozambique in control of concessions/agreements with development partners on development assistance?
- Is development assistance aligned to the country's priorities? – to what extent have DPs aligned their strategic plans or objectives and matched their resources to the country's priorities?
- Have DPs adopted, utilised existing country systems – for public finance management, measuring and reporting of progress? – what country systems are these?
- What other ways apart from using country systems, and aligning resources and objectives to country priorities?

## 2. Inclusive partnerships

- Are development partnerships inclusive?
- What mechanisms exist in the country (established by government or in collaboration with DPs and other stakeholders) for ensuring that as many actors as possible are included in the development partnership forums?
- To what extent are partnership forums involving non-traditional development partners, civil society, private sector and other non-state actors?
- Comment about the quality of participation of CSOs, emerging DPs, Private sector in these forums
- What challenges would be preventing new actors co-opted after Busan from actively participating and meaningfully affecting the conversation in the partnership forums – (probe for capacity, Resources, Information, any others)

## 3. Focus on results

- Is development assistance achieving the results it is intended for in Mozambique?
- Does the country possess the systems, capacity and/or resources to measure progress? Are DPs using country systems/structures to measure progress/results?
- Has an agreement been reached between government and DPs on indicators/targets for assessing performance?
- What challenges could be preventing a focus on results? (probe for capacity, NIMES, HR, leadership, resources, etc)
- Through what mechanisms do you ensure that development work and partnerships in the country focus on results – (probe for results framework, joint programming, M and E system, joint evaluations etc)

## 4. Mutual accountability

- To what extent is mutual accountability on development assistance being realised between the Government of Mozambique, Development Partners and Civil Society?
- What accountability mechanisms exist for ensuring that government accounts to DPs and citizens and that DPs account partner government as well as their citizens (probe for mechanisms anchored on the constitution like Auditor General, parliament oversight committees, CSO role, PFM laws, openness in budget processes, procurement regulations etc)
- How effective are the existing accountability mechanisms?
- How accessible is information – is information on resource flows from development partners available in standardised, comparable, disaggregated and in a timely manner? (probe for OGP, IATI, GIFT, OECD-CRS etc)
- Is there willingness by the government/politicians and other citizens to pursue mutual accountability





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#### **UK OFFICE**

Development Initiatives Ltd  
North Quay House  
Quay side  
Temple Back  
Bristol BS1 6FL  
United Kingdom  
T: +44 (0) 1179 272 505

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#### **KENYA OFFICE**

Shelter Afrique Building  
4th Floor, Mamlaka Road  
Nairobi, Kenya.  
PO Box 102802-00101  
T: +254 (0) 20 272 5346

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#### **DEVELOPMENT RESEARCH AND TRAINING (DRT)**

Ggaba Road, Mutesasira  
Zone, Kansanga  
P.O Box 22459  
Kampala, Uganda



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