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ANNEX 3

of the Commission Implementing Decision on the financing of the annual action plan in favour of the Republic of Mozambique for 2022 – Part 1

Action Document for “AguaNorte - Access to Water, Sanitation and Hygiene in Northern Mozambique”

ANNUAL PLAN

This document constitutes the annual work programme in the sense of Article 110(2) of the Financial Regulation, and action plans of Article 23(2) of NDICI-Global Europe Regulation.

1 SYNOPSIS

1.1 Action Summary Table

| | |
|---|---|
| 1. Title OPSYS business reference Basic Act | AguaNorte - Access to Water, Sanitation and Hygiene in Northern Mozambique OPSYS number: ACT-60678 Financed under the Neighbourhood, Development and International Cooperation Instrument (NDICI-Global Europe) |
| 2. Team Europe Initiative | Yes Mozambique’s Green Deal |
| 3. Zone benefiting from the action | The action shall be carried out in Mozambique |
| 4. Programming document | Multi-annual Indicative Programme (MIP ¹) for the Republic of Mozambique for 2021-2027 |
| 5. Link with relevant MIP(s) objectives / expected results | The proposed action intends to contribute to MIP Priority area 1 ‘Growing Green’ and its Specific Objective 3 ‘Mozambique increases its low-carbon, climate-resilient and sustainable infrastructure’. Expected result: Increased access to water and sanitation services. Besides, it is complementary to Priority area 2 ‘Growing Youth’, Specific Objectives 1 and 2 on nutrition and education. |
| PRIORITY AREAS AND SECTOR INFORMATION | |
| 6. Priority Area(s), sectors | Priority area 1, Sector 140 - Water Supply & Sanitation |
| 7. Sustainable Development Goals (SDGs) | Main SDG: SDG 6 Clean Water and Sanitation - Ensure access to water and sanitation for all. Other significant SDGs: SDG 3 Good Health and Well-being - Substantially reduce the number of deaths and illnesses from water and contamination and |

¹ MIP 2021-2027 for Republic of Mozambique (C(2021)9271)

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|---|--|-------------------------------------|--|--|
| | SDG 5 Gender Equality - Ensure women’s full and effective participation and equal opportunities for leadership at all levels of decision-making in political, economic and public life. | | | |
| 8 a) DAC code(s) | 140 - Water Supply & Sanitation – 100 % 14030 – Basic drinking water supply and basic sanitation | | | |
| 8 b) Main Delivery Channel | UNICEF - 41122 | | | |
| 9. Involvement of multilateral partners | Yes UNICEF | | | |
| 10. Targets | <input checked="" type="checkbox"/> Migration <input checked="" type="checkbox"/> Climate <input checked="" type="checkbox"/> Social inclusion and Human Development <input checked="" type="checkbox"/> Gender <input type="checkbox"/> Biodiversity <input checked="" type="checkbox"/> Education <input checked="" type="checkbox"/> Human Rights, Democracy and Governance | | | |
| 11. Markers (from DAC form) | General policy objective @ | Not targeted | Significant objective | Principal objective |
| | Participation development/good governance | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| | Aid to environment @ | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| | Gender equality and women’s and girl’s empowerment | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| | Trade development | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| | Reproductive, maternal, new-born and child health | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| | Disaster Risk Reduction @ | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| | Inclusion of persons with Disabilities @ | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| | Nutrition @ | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| | RIO Convention markers | Not targeted | Significant objective | Principal objective |
| | Biological diversity @ | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| | Combat desertification @ | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| | Climate change mitigation @ | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| | Climate change adaptation @ | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| | 12. Internal markers and Tags | Policy objectives | Not targeted | Significant objective |
| Digitalisation @ digital connectivity digital governance digital entrepreneurship digital skills/literacy | | <input checked="" type="checkbox"/> | <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> | <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> |

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|--------------------------------------|---|-------------------------------------|--|--|
| | digital services | | <input type="checkbox"/> | <input type="checkbox"/> |
| | Connectivity @ transport people2people energy digital connectivity | <input checked="" type="checkbox"/> | <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> | <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> |
| | Migration @ (methodology for tagging under development) | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| | Reduction of Inequalities (methodology for marker and tagging under development) | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| | Covid-19 | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| BUDGET INFORMATION | | | | |
| 13. Amounts concerned | Budget line: BGUE-B2022-14.020122-C1-INTPA Total estimated cost: EUR 22 000 000 Total amount of EU budget contribution: EUR 20 000 000 This action is co-financed in joint co-financing by: - UNICEF for an amount of EUR 2 000 000 | | | |
| MANAGEMENT AND IMPLEMENTATION | | | | |
| 14. Type of financing | Indirect management with the entity to be selected in accordance with the criteria set out in section 4.4.1. | | | |

1.2 Summary of the Action

Despite being a resource-rich country, Mozambique is one of the 10 least developed countries in the world according to the Human Development Index (HDI) and one of the most unequal countries in Sub-Saharan Africa. The Gini-coefficient rose to 0.56 (2014/15) from 0.47 (2008/9), substantial disparities between north and south and urban versus rural areas persist. Since 2017, the rapid escalation and intensification of an armed conflict in Cabo Delgado, has made the northern provinces of Mozambique the focus of growing national and international attention. As of February 2022, nearly 800 000 people were reported to be displaced and over 4 000 fatalities were claimed, due to armed violence and civilian targeting. Escalation of the conflict has fuelled concerns regarding risks of spill-overs into the neighbouring Niassa and Nampula provinces, both of which face similar underlying structural challenges as Cabo Delgado, as well as into Tanzania.

Limited access to basic services was recognized as having an impact on the perceptions of exclusion and marginalisation by the northern population, which are subjacent factors of the conflict. This access has further deteriorated due to the socio-economic consequences of COVID-19 and climate-related events. Mozambique is the 5th country in the world which suffered most from climate impacts in the whole 2000-2019 period (German watch, Global Climate Risk Index 2021²). In 2019, tropical cyclones Idai and Kenneth, devastated entire areas, also in Cabo Delgado. As a result of these combined factors, Cabo Delgado, Nampula and Niassa provinces have significant deprivations affecting the lives of the entire population, but particularly children and women and showing low levels of access to water and sanitation.

This action will contribute to improving the living conditions of the population through increased access to basic services, reduction of inequalities, economic recovery and peacebuilding. It aims to increase access to sustainable

² https://germanwatch.org/sites/default/files/Global%20Climate%20Risk%20Index%202021_1.pdf

safe water and sanitation services for at least 60 000 people from selected towns in three northern provinces of Mozambique. It encompasses the construction, rehabilitation, and/or expansion of water supply systems, the creation of demand and local market development for sanitation and hygiene services and products. The action will include the construction of gender sensitive WASH (water, sanitation and hygiene) infrastructures in schools and healthcare facilities, as well as support the establishment of management modalities for sustainable WASH services.

The towns of Memba (Nampula), Namuno (Cabo Delgado) and Marrupa (Niassa) were pre identified for this action after consultation with the authorities based on the numerous deprivations, lack of support by other programmes and partners and given the poor situation of the existing water systems. Complementarity with other programmes, such as nutrition and rural WASH programmes, was also a selecting factor to increase the impact on the ground. Namuno and Marrupa districts were considered as high priority by the Mozambican Water and Sanitation Infrastructure Administration (AIAS) during consultation.

The action will build upon the positive experience and approach of the ‘Expanding Water Supply and Sanitation Services in Small Towns in Inhambane Province (AGUASANI³)’, an EU-funded programme managed by the United Nations Children’s Fund (UNICEF) that was completed in December 2018. This means that the action further supports the implementation of the Delegated Management Framework for water supply and sanitation in urban areas, a framework that is based on a public-private partnership, whereby assets are owned by the government, and operations are managed by the private sector under a concession, lease or management contract.

The Delegated Management Framework was created to ensure the sustainability of the water systems that were becoming obsolete rapidly due to the lack of funds for maintenance. Therefore, private sector participation is essential. However, the framework integrates safeguards to ensure broad and equitable access to water by the adoption of tariff policies. Also, when institutionalising the framework, the Water and Waste Services Regulation Authority (AURA) was established to provide ‘universal water and sanitation services’ ensuring a balance between the consumer’s interests and those of the operators and economical sustainability. This action will be implemented in close coordination with AURA to ensure a fair and affordable tariff structure for the envisaged water supply systems.

Moreover, on the basis of the feasibility studies and technical design of the systems, following a participative approach, the poorest and most vulnerable areas of the towns will be served by stand posts with a subsidised tariff and managed by the community ensuring a proper coverage of the service. The areas served by house/yard connections with higher tariffs will ensure the maintenance/repairs of the systems and a sustainable and continued service.

This action intends to contribute to priority area 1 of the Multi-annual indicative programme 2021-2027 (MIP) ‘Growing Green’ and its Specific Objective 3 ‘Mozambique increases its low-carbon, climate-resilient and sustainable infrastructure’. It is complementary to Priority area 2 ‘Growing Youth’, Specific Objectives 1 and 2 on nutrition and education. In the framework of the Global Gateway, the action will contribute to climate-resilient and inclusive water supply and sanitation infrastructure narrowing as such the global investment gap. This will allow Mozambique to develop its society in the north. This action is also fully embedded in the Team Europe Initiative (TEI) Mozambique’s Green Deal enhancing Mozambique’s resilience to climate-related events.

The action will contribute to the Gender Action Plan III (2021-2025) (JOIN/2020/17 final) especially to the thematic area ‘promoting economic and social rights and empowering girls and women’ by reducing the exposure of women to unsafe water, sanitation, and hygiene for all (WASH) services.

The Action has an EU contribution of EUR 20 million and will have a duration of 48 months. It will be part of the Annual Action Plan 2022 support package to address the development needs of the northern provinces which include Resilience for the North (ResiNorte) but also SER – Support to Education Reform, Growing Strong (nutrition), the National Control Centre (NCC) for Energy and the Climate Resilience programme.

³ AGUASANI (FED/2013/328-935) – a programme co-funded by the EU under the 10th EDF and implemented by UNICEF to improve access to water supply and sanitation services in three small towns in Inhambane Province; positively evaluated by external evaluators.

2 RATIONALE

2.1 Context

Mozambique remains one of the bottom ten countries in the world in terms of human development⁴, aggravated by increasing inequality in recent years⁵, including significant gender differences⁶, substantial disparities between north and south and urban versus rural areas. The country has a population of 31 million, about 67 % of which live and work in rural areas, and 68 % of whom are aged 25 or younger (2020).

Despite significant economic growth over the last two decades, growth in Mozambique has not been inclusive and has not translated into broad poverty reduction. The country is still recovering from a long civil war while it has been dealing with a series of multidimensional shocks in recent years, including the 2016 ‘hidden debts scandal’, the cyclones in 2019, and, more recently, the COVID-19 pandemic, which pushed approximately two million additional people into poverty in 2020 alone.

The violent attacks hitting Cabo Delgado Province have also resulted in significant destruction of public and private property and in the disruption of basic services.

Since 2017, the security situation in northern Mozambique has significantly deteriorated. The ongoing armed conflict, which has escalated rapidly and intensified in range, sophistication and intensity, is challenging the government response capacity. It is also putting at risk the lucrative Liquefied Natural Gas (LNG) investments in the region, which, if well managed, have the potential to accelerate Mozambique’s growth in the medium-term. It is estimated that the conflict has led to over 4 000 fatalities and, by February 2022, more than 800 000 Internally Displaced Persons (IDPs) are located in relocation camps or informally hosted by already vulnerable communities across the provinces of Cabo Delgado, Nampula and Niassa, leading to a mounting humanitarian and displacement crisis. The violent attack on Palma district (March 2021) represented a game changer in the government’s response to the conflict resorting to military support from the Southern Africa Development Community (SADC), Rwanda and other countries.

Already before the outset of the security crisis, Cabo Delgado was characterized by chronic underdevelopment, low welfare levels and deep-rooted fragility challenges, including widespread poverty, frequent climatic shocks and recurrent disease outbreaks.

The most-affected provinces, Cabo Delgado, Niassa and Nampula, ranked respectively last, 9th and 7th out of the country’s 11 provinces on the Human Development Index (HDI), having extremely high poverty rates with 78 %, 60 % and 58.9 % of households being considered multidimensionally poor. According to the latest data available (Demographic Human Survey, 2017), WASH coverage in the three northern provinces included in this action are amongst the lowest of the country. While at national level water coverage is 63 %, Cabo Delgado shows a coverage of 54 %, Nampula 46 % and Niassa 48 %. In terms of sanitation, at national level the access to basic sanitation is 37 %, while in Cabo Delgado and Niassa this coverage decreases to only 23 % and in Nampula to 24 %. Inefficient access to basic services was recognized as having impact on the perception of the State’s role and perceptions of exclusion and marginalisation by the northern population, which are subjacent factors of the conflict.

The proposed action will contribute towards covering the identified needs in the three northern provinces including (but not limited to) those arising from the conflict-related displacement crisis and identified in the Recovery and Peacebuilding Assessment (RPBA) and its implementation. The action is aligned with the Strategic Plans for the development of Cabo Delgado and Nampula provinces (2020-2024), the Reconstruction Plan for Cabo Delgado (PRCD), and the strategy for resilience and integrated development in the North (ERDIN), namely with its Pillar 2 ‘Reconstruction of the social contract between the State and the population’. As such, the action will contribute to increased access to basic services, reduction of inequalities, economic recovery and peacebuilding.

The EU’s humanitarian response in northern Mozambique is supporting vulnerable and conflict-affected populations with a multi-sectoral response. This includes the provision of adequate Water, Sanitation and Hygiene facilities within public infrastructures and IDP settlements through the rehabilitation/construction of boreholes, water-points and latrines, as well as the distribution of hygiene kits and promotion of hygiene practices.

⁴ Ranked 181(out of 188) in the 2019 Human Development Index.

⁵ Gini-coefficient rose to 0.56 (2014/15) from 0.47 (2008/9), placing Mozambique among the most unequal countries in Sub-Saharan Africa.

⁶ Human Development Index (HDI) is 0.39 for women compared to 0.44 for men.

The action will build on the humanitarian response, scaled-up since the cyclone Kenneth hit the province in 2019, and will invest in equitable service's provision to address immediate needs, while tackling systemic causes of vulnerability and conflict. The support to essential service's delivery and protection will be carried out with the objective of enhancing social cohesion and equity across all project outcomes. Similarly, the promotion of community and local leadership and of strengthening the provision of essential social services through sustainable, appropriate, and transformative interventions will be at the centre of the interventions.

In line with the triple nexus approach, stronger linkages will be built between humanitarian action and longer-term development interventions, with a peacebuilding approach underlying both. This will also encompass a risk-informed approach to programming, notably through contingency planning for natural disasters and potential increases in displacement due to further conflict. As such, the action will contribute to increased access to basic services, reduction of inequalities, economic recovery and peacebuilding.

The action is also a direct contribution to Mozambique's WASH Sector Action Plan for implementation of the SDGs 2015-2030, and the Five-Year Government Programme (*Plano Quinquenal do Governo* PQG) 2020-2024. The Action also contributes to the 2030 Sustainable Development Agenda, more particular to SDG 6 (Clean Water and Sanitation).

This action contributes to priority area 1 of the Multi-annual indicative programme 2021-2027 (MIP) "Growing Green" and its Specific Objective 3 "Mozambique increases its low-carbon, climate-resilient and sustainable infrastructure" in the water sector. It is complementary to Priority area 2 "Growing Youth", Specific Objectives 1 and 2 on nutrition and education. This action is embedded in the Team Europe Initiative for Mozambique's Green Deal with as expected impact "Mozambique's society as a whole is better prepared to adapt to climate-induced events, contributes to climate change mitigation and reaps the fruits of a green growth and energy transition in a health-promoting biodiverse environment". In line with the TEI's theory of change, the action will put in place climate-resilient water supply systems that will improve livelihoods and create opportunities for the private sector.

The action will build upon the lessons learned of the "Expanding Water Supply and Sanitation Services in Small Towns in Inhambane Province (AGUASANI)". The action will expand the implementation modalities developed therein, as well as integrate with other projects such as Growing Strong (nutrition), focusing on stunting reduction and WASH in rural areas, including in the North.

These interventions will also support the implementation of the Delegated Management Framework for water supply and sanitation in urban areas and secondary systems, leveraging on the existing partnership with the Water and Sanitation Infrastructure Management Unit (AIAS), as well as reinforcing the capacities of the decentralized provincial delegations of AIAS. The resources applied through these interventions will contribute to the implementation of the AIAS mandate and the town's innovative financing initiative for WASH.

2.2 Problem Analysis

Short problem analysis:

In Mozambique, the situation has further deteriorated in the Northern provinces due to violence, recent climatic events, and the socio-economic consequences of the COVID-19 pandemic. As a result, Cabo Delgado, Nampula and Niassa have significant deprivations affecting the lives of the entire population, but particularly children and women.

Starting in late 2017, non-state armed groups began attacking civilian populations and infrastructure in Cabo Delgado. The violent incidents and attacks increased significantly in late 2020 and early 2021 resulting in significant displacement. The vast majority of IDPs remain in Cabo Delgado. However, as the conflict escalates, people are also traveling to Nampula, and, to a lesser extent, to Niassa, seeking safety, access to services and livelihoods.

Enhancing resilience, inclusion and supporting recovery in the conflict-affected Northern provinces is of utmost importance to obtain peace, stability and inclusive socio-economic development.

In addition, Mozambique is suffering from widespread poverty and a severe water crisis with approximately half of its people below the poverty line and being deprived of access to clean, safe water and sanitation, the population in rural areas being the most affected. The major reason for the breakdown of these current water sources include poor maintenance systems, lack of spare parts, lack of financial revenues, etc. Systems should also be resilient to

climate-related events in line with the framework on Disaster Risk Reduction (DRR). Building back better is a principle that is and remains relevant.

Due to the lack of accessible water sources for domestic consumption, a large number of Mozambique's rural population rely on natural water sources (such as ponds, rivers and hand dug wells). With Mozambique's recent lack of rainfall and prolonged periods of drought, many have not been able to rely on these natural water sources. This has resulted in communities having to travel greater distances to access water, putting available water sources under greater pressure. The need to travel greater distances to search for water is resulting in many children dropping out of school or regularly being absent. They have to spend their days walking miles to find water instead of being in the classroom. Diseases are also a lot more common during drought periods. Droughts result in a reduced amount of drinking water leading to a lack of hygiene and sanitation. This causes diseases to spread more easily.

Identification of main stakeholders and corresponding institutional and/or organisational issues (mandates, potential roles, and capacities) to be covered by the action:

At National level, the action will be implemented under the overall coordination of the National Directorate of Water Supply and Sanitation (DNAAS), organic unit of the Ministry of Public Works, Housing and Water Resources, led by AIAS and the Water and Waste Services Regulation Authority (AURA). At Provincial level, key stakeholders will be the Provincial Infrastructure Services (SPI), Provincial Directorates of Public Works (DPOP), AIAS delegations, AURA provincial desks, as well as Provincial Departments for Health and Education. At District level, activities will be coordinated with the District Administrations and their sectoral departments/services.

The strong involvement of institutions (duty bearers) in implementing an intervention is an effective way of developing the sector. This aspect was recognized on the final evaluation of the AGUASANI programme, and the same approach is being proposed for this action. Therefore, all implementation activities will be led by the decentralized institutions such as AIAS Delegations, District Service for Planning and Infrastructure (SDPI), DPOP and AURA provincial desks, which lack capacity in terms of human and operational resources.

The national institutions will have a support and guidance role to their provincial branches which will be directly responsible for the implementation of the programme and through the project steering committee, to ensure timely advice and decision making.

The provincial institutions will ensure a regular coordination with district actors and facilitate information flow for programme monitoring and reporting, and will coordinate programme activities with the authorities of selected towns, the health and education sectors, and other provincial stakeholders.

Through the implementation of the programme, new actors will emerge and in particular private operators that will be contracted to run the water systems. Indeed, in 1998, the Government introduced the Delegated Management Framework (DMF) for urban water supply services. This framework is based on a public-private partnership, whereby assets are owned by the Government, and operations are managed by the private sector under a concession, lease or management contract. The DMF centralizes responsibility for asset management and contracting for operations; it foresees the eventual decentralization of these responsibilities to municipalities. Under the DMF, the Water Regulatory Council (CRA) was also created (now called AURA - Water and Waste Services Regulation Authority) with the current responsibility to regulate all public piped water supply and sanitation systems as well as to ensure affordability and accessibility of water.

Besides, Local Water Regulatory Councils (CORALs) will perform the local regulation of the services and sanitation groups will plan, implement and monitor sanitation activities and sanitation entrepreneurs will develop the market of on-site sanitation. Since most of these roles and responsibilities of the private sector are quite new, there is a need to make them acquainted with their new roles under the new mandate and to improve their capacities.

Civil society organisations (including women's rights organisations) will be involved during the consultation of water supply technical options/tariffs, etc. They will also play an active role in the generation of demand for sanitation. The Disabled People's Organisation ADEMO will play an important role in activities involving people with disabilities.

The beneficiary communities (rights holders) will also have a role to play in the self-construction of latrines and the improvement of greywater (refers to domestic wastewater without faecal contamination) management. Further,

they will contribute to water supply through payment of fees for household water connections and water consumption, participate in decision-making about water supply technical solutions and participate in consultative meetings to agree upon the fees for WASH services.

Those living in the most vulnerable situations such as the poorest families, persons with disabilities and internal displaced persons (IDPs) will be positively affected by the action as activities will be designed having in consideration their specific needs and shall be carried out in a participative way.

3 DESCRIPTION OF THE ACTION

3.1 Objectives and Expected Outputs

The Overall Objective (Impact) of this action is to **ensure access to equitable and sustainable water and sanitation services and infrastructure for population in Northern provinces.**

The Specific Objective (Outcome) of this action is to **enhance efficiency and utilisation of climate-resilient water, sanitation and hygiene services and infrastructure with a gender responsive approach and in line with environmental standards.**

The Outputs to be delivered by this action in the targeted districts contributing to the corresponding Specific Objectives (Outcomes) are:

- 1.1. Reinforced capacities of decentralized institutions to regulate, operate and maintain water, sanitation and hygiene (WASH) services.
- 1.2. Enhanced utilisation of water infrastructures and services.
- 1.3. Enhanced utilisation of improved sanitation and hygiene facilities and services.

3.2 Indicative Activities

Activities related to Output 1:

1.1 Establishment of the Water and Sanitation Infrastructure Administration (AIAS) delegations and the Water and Waste Services Regulation Authority (AURA) regional offices at provincial level – allowing their presence at decentralized level to create and maintain the necessary implementation capacities and increase WASH specific technical expertise to provincial and district stakeholders as well as reinforce regulation.

1.2 Capacity building of AIAS and the District Service for Planning and Infrastructure (SDPI) staff - recruiting WASH technicians and integrate them into the Government payroll, provision of vehicles, office furniture and IT equipment and provision of operation costs throughout the programme.

1.3 Strengthening of the regulation of the sector – with specific support to AURA, aiming to reinforce their decentralized capacities to exercise their regulatory function on targeted towns.

Activities related to Output 2:

2.1 Construction of at least three water supply systems in the three selected towns – The total number of water supply systems will be confirmed after the feasibility studies, to be carried out by a consultant that will prepare the detailed technical designs, conduct environmental and social impact assessments with gender and human rights approach and supervise the construction works. Construction will be undertaken by construction firms. At least 60 000 people (women and men) will benefit from the water supply systems.

2.2 Reinforcing Public Private Partnership (PPP) for the sustainable management, operation and maintenance of water supply systems – selecting and developing the capacity of private operators to manage the water supply systems through the Delegated Management Framework regulated by AURA.

Activities related to Output 3:

3.1 Community mobilisation for self-construction of household sanitation facilities – Baseline survey and field information will guide the sanitation interventions which will be focused on the elimination of open defecation

and moving up in the sanitation ladder. The baseline survey will include sex disaggregated data and will take into account gender aspects (i.e. women will be consulted by women surveyor).

3.2 Increase population's awareness and motivation to improve sanitation and create demand through sanitation promotion activities with a gender sensitive approach - Strengthening sanitation marketing and reinforcing Public Private Partnership (PPP) for the sustainable management, operation and maintenance of sanitation facilities. Mechanisms to overcome financial barriers both on demand and supply side will be put in place. For instance, to overcome previously identified financial barriers to make the initial investment of acquiring a household connection, a revolving fund will be implemented, which will allow the establishment of payment facilities thus an easier access to the water service. Other measures to be implemented are: rolling out of community savings groups known as "Xitique", training of sanitation entrepreneurs and artisans, establishment of an Association of Entrepreneurs including a saving and credit rotational system.

3.3. Rehabilitation and construction of WASH infrastructures in minimum 15 schools and 10 health-care facilities - Specific sites will be identified with the government partners. The construction will be undertaken by private firms and supervision of works through an independent firm. To maintain a high level of sustained functionality, gender and human rights approach, institutional capacity to manage water and sanitation infrastructure will be strengthened, contributing to improve health and nutrition outcomes while the work in schools will provide a clean and healthy learning environment, especially for girls. Hygiene-promotion practices will be conducted.

The commitment of the EU's contribution to the Team Europe Initiative foreseen under this action plan will be complemented by other contributions from Team Europe partners. It is subject to the formal confirmation of each respective partners' meaningful contribution as early as possible. In the event that the TEIs and/or these contributions do not materialise the EU action may continue outside a TEI framework.

3.3 Mainstreaming

Environmental Protection & Climate Change

Outcomes of the EIA (Environmental Impact Assessment) screening

The EIA (Environment Impact Assessment) screening classified the action as Category B (for which an EIA will be undertaken). The action will be aligned with the country's environmental legislation, ensuring negative impacts over the environment are minimized and mitigation actions are put in place. However, the existing water and sanitation systems have become outdated and are unable to withstand extreme weather events. Therefore, to protect the water infrastructures from future disasters and to ensure that beneficiaries have access to basic services, feasibility studies will adopt more climate-resilient construction standards such as using high-quality pipes in the water network, repairing water tanks and providing operational training to operators. In addition, to protect sanitation infrastructure against the impact of heavy rains caused by cyclones, climate-resilient infrastructure needs to be developed such as ensuring that the facilities are raised above the ground and not located in flood-prone areas.

Outcome of the CRA (Climate Risk Assessment) screening

The Climate Risk Assessment (CRA) screening concluded that this action is low risk.

The action is indeed related to a sensitive sector and implemented in a location potentially exposed to climate change. Therefore, the action will engage in a deeper reflection on potential impacts, risks and realistic mitigation activities at the stage of feasibility studies.

Gender equality and empowerment of women and girls

As per OECD Gender DAC codes identified in section 1.1, this action is labelled as G1. This implies that this action will aim to promote the equal rights of women and girls and to support their participation in the development of their communities by:

- Encouraging and supporting female participation in decision-making processes for planning and implementation of WASH services, including their engagement as personnel in various components of the action.
- Arranging for appropriate facilities in schools and health care facilities to meet the needs of women;

- Include specific interventions on menstrual hygiene management, with specific focus in the design and construction of WASH in schools and health care facilities.
- Including gender issues as an integral part of training programmes for staff and local authorities to enhance their understanding of linkages between gender and WASH.
- Promoting female members of institutions responsible for planning and overseeing operations and management of water supply systems.
- Requiring implementation partners to report gender disaggregated data for programme reports.

Human Rights

The programme adopts a human rights-based approach. In the context of stabilisation, state actors are accountable duty-bearers for the provision of basic services to communities, IDPs and returnees as right holders. The programme seeks to strengthen the capacities of state actors to provide basic services and at the same will support right-holders in awareness-raising, participation and community dialogue. The action will contribute to reducing development inequalities and close the infrastructure gap between the north and the south of the country. This in complement to other actions included under Part 1 of the Annual Action Plan 2022 such as the National Control centre for energy and ResiNorte – Resilience for the North. All actions intervening in the north are in line with the triple nexus approach enhancing complementarity between humanitarian, development and peace actors in conformity with international human rights standards and international humanitarian law. The action will respect the 5 principles of the human rights-based approach: i) respect to all human rights, ii) non-discrimination, iii) participation, iv) transparency and v) accountability. Private sector organisation will abide to the UN guiding principles on Business and Human rights.

Finally, the right to water and sanitation is a principle that acknowledges that clean drinking water and sanitation are essential to sustaining healthy livelihoods and maintaining people's dignity. It was recognised as a Human Right by the United Nations General Assembly in 2010. Water and sanitation are essential for eradicating poverty, building peaceful and prosperous societies, and ensuring that ‘no one is left behind’ on the road towards sustainable development.

Disability

As per OECD Disability DAC codes identified in section 1.1, this action is labelled as D1. This implies that following successes of previous WASH in selected town’s interventions, specific activities will target persons with disabilities and most at risk and marginalized families. These include targeted subsidies and/or financial support for construction of sanitation at household level, as well as establishing mechanisms to reduce financial barriers for accessing to WASH services at community level.

Democracy

The action will increase various forms of participatory, deliberative and collaborative approaches to water governance and management. Communities, with specific attention to women, will be actively included in policy making or services delivery. The action will pay attention to the roles communities can play, or do play, when it comes to the programme challenges like climate adaptation, environmental conservation or resilience building. It will also improve Mozambique’s sovereignty to control and monitor the use of its own water and sanitation infrastructures, involving public, private and social stakeholders in processes of policy making, decision making and implementation.

In addition, and partly as a result of this action, numerous hybrid groups of public, private and social actors will emerge that will interact to develop public water supply and sanitation services, green infrastructure and hygiene risk measures.

Conflict sensitivity, peace and resilience

The action will pay attention to conflict sensitivity, peace and resilience, actively addressing drivers of the conflict in the North of Mozambique, such as unequal access to infrastructure and services which increases the likelihood of some groups resorting to violence. The action will contribute to securing access to water and sanitation in the targeted towns at affordable prices so that no one is left behind. Access to WASH will also improve livelihood opportunities, including for IDPs, and foster the overall socio-economic development of the region. The action will ensure the active participation of the communities, including women and youth. They will be an extra

safeguard, besides the Regulatory authority AURA, that affordability and accessibility of water and sanitation services are ensured, also for the more disadvantaged persons. As such, social cohesion will be encouraged.

Disaster Risk Reduction

Crisis modifiers will be built into the contracts wherever feasible and considered suitable. This will enable early action and rapid response to new humanitarian needs that could occur in the project areas during the implementation phase. This allows a quick reallocation of funding to address spikes in needs.

Using the “building back better” approach, the action will make sure that infrastructure is climate-resilient, meaning that they are rehabilitated/constructed so that they are stronger and able to withstand flooding and strong winds, when the next cyclones approach, adapt to changing conditions, and recover positively from shocks and stresses.

Digitalisation

The action does not specifically target digitalisation.

3.4 Risks and Lessons Learnt

| Category | Risks | Likelihood (High/Medium/Low) | Impact (High/Medium/Low) | Mitigating measures |
|-------------------------|--|---------------------------------|-----------------------------|--|
| Political | Increased insecurity in the districts targeted by the project | High | High | Continuous assessment during the project cycle, evaluating potential impact and rapidly undertaking required revision of interventions, including area of intervention if needed. Ensure close civil–military coordination in target areas. Work with community-based organisations, religious and traditional leaders to promote community dialogue and inclusiveness among community members. Ensure that early warning systems are responsive and in place. |
| Political | Impact and delays caused by the 2024 local elections | High | High | The sector is developing the Water and Sanitation Law with a horizon of 20 to 30 years that considers future enabling environment/institutional changes while maintaining quality of service provision. |
| People and Organisation | Weak capacity / coordination among key provincial stakeholders | High | Medium | Advocate for high-level ownership at provincial (State Secretary and/or Governor) and district level (District Administrator). Establish a steering committee to meet at least twice a year. |
| People and Organisation | Delays due to non-performance of contractor(s) | Low | High | Technical assistance to Provincial Infrastructure Services (SPI) during evaluation of bids to ensure quality of contractors. Contracts with provisions for immediate cancellation in case of non- |

| | | | | |
|---------------------------------|---|--------|--------|--|
| | | | | performance. Allow administrative processes in case of contract cancellation. |
| People and Organisation | Difficulties to recruit operators with adequate management skills, including low efficiency of collection | Low | Medium | Training of operators (Output 4). Sensitisation of families for the payment of water bills (Output 2). Support AURA on adequate monitoring of services performance by CORALs. |
| Legality and regulatory aspects | Water tariff/revenues do not cover operational costs | Low | High | Ensure selection of technical options takes into consideration Operation and Maintenance (O&M) costs. Ensure that technical studies analyse sustainability, including calculation and implementation of minimum number of connections. |
| Planning, processes and systems | Cost of water supply systems above the available budget | Medium | High | Careful review of the design and cost estimate of the systems before launching the tenders. Consider contingencies. |
| Financial | Reduction of financial capacity of families due to lack of income and economic crisis Lack of affordability of water, conflicts on its management and provision, perceived unfairness of service provision | High | High | Close coordination with AURA to define social tariffs and ensuring that the most vulnerable segment of the population benefits from it. Creation of revolving fund. Support to saving groups (<i>Xitique</i>) and entrepreneurs on alternative financial mechanisms. Strengthening motivation of communities through activists, communication and other sanitation promotion activities. |
| Health | Continuation of COVID-19 related restrictions | Medium | High | Adapt approach to implementation and monitoring. |
| Climate | Extreme climate events (floods, cyclones, droughts, etc.) | High | High | The technical feasibility studies will ensure that infrastructures are climate-resilient. Integration of specific shock-sensitive solutions, such as crisis modifiers |

Lessons Learnt:

The EU-funded AGUASANI programme has provided learning experiences as well as opportunities that allowed the construction of stronger and cohesive models. Some of these learnings are the following:

The water supply model was improved.

The water supply model was improved to cover sustainability aspects such as the analysis of Operation & Maintenance costs during feasibility design phase for selection of the technology to be implemented as well as other pilot initiatives such as the increase and acceleration of household connections/coverage through the revolving fund by breaking financial barriers.

Implementing the programme through sector institutions enhances capacity-building and institutional accountability.

The strong involvement of institutions in implementing an intervention is an effective way of developing the sector.

Joint Monitoring Missions are key to the commitment of stakeholders, including service providers.

This monitoring approach allows for a regular joint evaluation on the progress of activities by all stakeholders, including the realisation of challenges that are being faced and promotes a sense of ownership over the results of the programme.

The financial sustainability study and its tool contribute to the sustainability of the water supply services.

This study offered a different perspective on sustainability of the system by enhancing the aspects that need to be taken into account such as the minimum number of connections and breakeven point that needs to be achieved during the operation of the system. It also highlighted the need to find a mechanism to break the financial barrier of families to acquire a household connection and accelerate the coverage of the system which led to the revolving fund initiative.

The revolving fund system is sustainable and accelerates the increase in domestic connections

In the AGUASANI programme, this initiative was successfully piloted, and it has proven to be effective in accelerating coverage thus contributing to its sustainability. Moreover, it provides a more cost-effective way of investing in household connection which - when previously done through the construction contracts - had double/triple the cost.

Strengthening supply and demand for household sanitation ensures the sustainability of the sanitation improvement process.

The sanitation model for small towns was expanded further into the area of supply through market development of affordable and inclusive products and support to sanitation entrepreneurs in business strategies. The application of demand generation techniques in parallel with the identification and strengthening of sanitation entrepreneurs to supplement awareness-raising campaigns, has triggered a sustainable dynamic for improving family sanitation that will also be implemented in the current action.

The creation of saving clubs gives households access to credit to invest in sanitation.

Encouraging households to set up “Xitique” groups to access the financial resources required to invest in sanitation is a simple and context-adapted way of helping families overcome the financial barriers to improving sanitation and carrying out the corresponding maintenance activities. This activity is complementary to actions to promote sanitation and develop a sanitation market.

Development of inclusive WASH services requires tailor-made approaches.

In AGUASANI, the design of appropriate sanitation facilities for each type of disability resulted from consultations with the beneficiaries at a workshop held to adapt the existing facilities, taking the type and magnitude of the disability into account. This is a lengthier approach however, key to find the most appropriate technical solution to each disability which requires tailor-made solutions.

Flexibility and effective coordination.

The flexible design should also allow for adjustments, in consultation with the Government and key partners, as the situation evolves. For this reason, the action integrates a so-called ‘crisis modifier’, designed to quickly reallocate funding to address spikes in need and enable rapid response to new humanitarian needs that could arise in the project areas during the implementation.

3.5 The Intervention Logic

WASH coverage in the three Northern provinces included in this action are amongst the lowest of the country. This is explained by several reasons such as the low capacity of government institutions in charge of delivering water and sanitation services to operate, maintain and regulate existing services or to manage investments. This capacity has been further weakened with the decentralization process which implied the division of subnational structures in two different entities, one reporting to the Governor of the province and, the other one, to the Secretary of State who represents the State at provincial level. Other external factors explaining these indicators are the low capacity of communities to maintain and operate the rural water infrastructures, as well as the lack of awareness and social norms related to sanitation and hygiene.

More largely, multi-dimensional poverty, exacerbated by conflict and displacement in Northern provinces, has a clear impact on the capacity of the population to pay for or maintain the services provided. Finally, Mozambique is regularly affected by extreme weather and climate events causing important damages on existing infrastructures.

This action has been designed to address this poor performance in the water and sanitation sector and to ensure access to equitable and sustainable water and sanitation services and infrastructure for population in Northern provinces. In order to achieve this impact (Overall Objective), the action will focus on the enhancement of the efficiency and utilisation of climate-resilient water, sanitation and hygiene services and infrastructure with a gender responsive approach and in line with environmental standards. This outcome can only be reached if capacities of decentralized institutions to regulate, operate and maintain water, sanitation and hygiene (WASH) services are reinforced; and if there is an enhanced utilisation of water infrastructures and services, on the one hand, and of improved sanitation and hygiene facilities and services, on the other hand.

In order to obtain these outputs the action will support the establishment of AIAS and AURA presence at decentralized level and provide and ensure a close accompaniment through capacity-building, training and technical assistance, as well as of other stakeholders at national, provincial and district level. The aim is to enable them to regulate, operate and maintain water, sanitation and hygiene (WASH) services.

The action will work on the supply side (access) as well as the demand side (utilisation) of water, sanitation and hygiene services. The private sector is actively involved in this action, through the reinforcement of the Public-Private Partnerships for the sustainable management, operation and maintenance of water supply systems and sanitation facilities. Local operators will be trained and accompanied to be able to respond to calls for tender and provide quality services. As such the implementation of the Delegated Management Framework will be scaled up.

At the same time, this action pays attention to the demand-side. It mobilises the communities in the elimination of open defecation and moving up on the sanitation ladder. Demand will be generated through sanitation promotion activities. Dealing with poor households, the action will ensure that financial mechanisms are set up so that beneficiaries are able to have equal and sustainable access to water, sanitation services and hygiene products.

The activities in health care facilities will contribute to achieving results in health and nutrition outcomes, such as reducing the risk of communicable diseases including cholera and COVID-19, reduction of malnutrition and stunting rates, and improvements in maternal and neonatal mortality. The activities in schools will contribute to education outcomes since schools will be able to provide a clean and healthy learning environment, thereby improving dignity and safety at school, which in turn leads to improvements in school retention, especially for girls.

The selection of the intervention area of the action takes into account the three sides of the humanitarian-development-peace Nexus. The North of Nampula and the South of Cabo Delgado, bordering Niassa, are areas heavily affected by the crisis receiving massive influx of IDPs. In all these areas a WASH humanitarian response (emergency water supply, temporary sanitation solutions and distribution of hygiene kits in transit and resettlements areas), as well as recovery activities (construction/rehabilitation of durable water and sanitation solutions in resettlement areas and host communities) are being implemented since the beginning of the crisis. This action will ensure a continuum between these interventions and will implement durable and long-term solutions contributing to increase the 'before the crisis' and 'current' access to water and sanitation coverage. All these interventions are conflict-sensitive – based on conflict analysis - and involve community participation to ensure infrastructures built and services provided create the conditions for local development and equity.

All the activities will lead to an enhanced utilisation of equitable and sustainable improved water, sanitation and hygiene services in a minimum number of three targeted towns of Memba (Nampula), Namuno (Cabo Delgado) and Marrupa (Niassa). They were pre identified based on the numerous deprivations, lack of support by other programmes and the poor situation of the existing water systems. In addition, Namuno and Marrupa districts were considered as high priority by AIAS during consultation. In Marrupa, the existing deficient system is under stress and it is currently incapable to supply water for all due to the recent increase of IDPs. Complementarity with other programmes was also a selecting factor: in Marrupa with another programme funded by Japan; in Namuno and Memba nutrition actions are being developed jointly by the EU and UNICEF. Memba has feasibility studies for the water supply system available.

However, the choice of districts can always be altered if new factors arise such as an escalation of the conflict in this area. The number of towns could also increase after receiving the final costing through the feasibility studies. The aim is to serve at least 60 000 beneficiaries (women and men).

3.6 Logical Framework Matrix

This indicative logframe constitutes the basis for the monitoring, reporting and evaluation of the intervention.

On the basis of this logframe matrix, a more detailed logframe (or several) may be developed at contracting stage. In case baselines and targets are not available for the action, they should be informed for each indicator at signature of the contract(s) linked to this AD, or in the first progress report at the latest.

New columns may be added to set intermediary targets (milestones) for the Output and Outcome indicators whenever it is relevant.

- At inception, the first progress report should include the complete logframe (e.g. including baselines/targets).
- Progress reports should provide an updated logframe with current values for each indicator.
- The final report should enclose the logframe with baseline and final values for each indicator.

The indicative logical framework matrix may evolve during the lifetime of the action depending on the different implementation modalities of this action.

The activities, the expected Outputs and related indicators, targets and baselines included in the logframe matrix may be updated during the implementation of the action, no amendment being required to the Financing Decision.

| Results | Results chain (e): Main expected results (maximum 10) | Indicators (e): (at least one indicator per expected result) | Baselines (values and years) | Targets (values and years) | Sources of data | Assumptions |
|----------|---|--|---|---|---|---|
| Impact | Ensure access to equitable and sustainable water and sanitation services and infrastructure for population in Northern provinces. | <p>1 Proportion of population using drinking water services in the three towns covered by the EU-funded intervention disaggregated by sex</p> <p>2. Proportion of population using sanitation services in the three towns covered by the EU-funded intervention disaggregated by sex</p> | <p>1 = To be defined</p> <p>2 = To be defined</p> | <p>1 = To be defined</p> <p>2 = To be defined</p> | <p>1 Joint Monitoring Programme UNICEF-World Health Organisation (WHO) that uses country generated data such as Demographic & Health Survey (DHS)</p> <p>2 Joint Monitoring Programme UNICEF-WHO that uses country generated data such as DHS</p> | |
| Outcome | Enhance efficiency and utilisation of climate-resilient water, sanitation and hygiene services and infrastructure with a gender responsive approach and in line with environmental standards. | <p>1 Number of AIAS delegations and AURA regional offices established at provincial level</p> <p>2 AIAS and AURA are operational, monitoring and reporting on the WASH services and performance of operators</p> <p>3 Number of water systems that are fully functional at least one year after the end of this EU-funded intervention</p> | <p>1 = 0</p> <p>2 = No</p> <p>3 = 0</p> | <p>1 = 4</p> <p>2 = Yes</p> <p>3 = 3</p> | <p>AIAS Annual Reports</p> <p>Minimum indicative number of water supply systems to be confirmed after the feasibilities studies</p> | <p>Security situation in the country stable or stabilised;</p> <p>Macroeconomic situation maintained relatively stable.</p> |
| Output 1 | Reinforced capacities of decentralized institutions to regulate, operate and maintain water, sanitation and hygiene (WASH) services. | <p>1.1 # programme supported staff are recruited</p> <p>1.2 Technicians recruited by the programme are included on the government payroll and performing their duties disaggregated by sex</p> <p>1.3 # staff passing final exam with at least 70 % on training of</p> | <p>1.1 = 0</p> <p>1.2 = 0</p> <p>1.3 = 0</p> | <p>1.1 = 7</p> <p>1.2 = Yes</p> | <p>AIAS Annual Reports / Payrolls</p> <p>Training reports</p> | <p>Government's commitment towards the 2030 Agenda maintained.</p> <p>The institutional</p> |

| | | | | | | |
|-----------------|---|--|--|---|--|--|
| | | <p>implementation of WASH projects in selected towns within the DMF disaggregated by sex</p> <p>1.4 # CORALs established</p> <p>1.5 Quarterly monitoring of CORALs</p> | <p>1.4 = 0</p> <p>1.5 = No</p> | <p>1.3 = 7</p> <p>1.4 = 3</p> <p>1.5 = Yes</p> | <p>CORAL reports</p> | <p>counterparts and project stakeholders remain committed and engaged in the action thanks to a local ownership oriented approach.</p> |
| Output 2 | Enhanced utilisation of water infrastructures and services. | <p>2.1 Number of people that gain access to drinking water services through this EU-funded intervention disaggregated by sex.</p> <p>2.2 Volume of safe water produced by the expanded / rehabilitated systems (m3/day)</p> <p>2.3 # of household connections</p> <p>2.4 # of systems where a service operator is appointed and is responsible for regular operation of the systems</p> <p>2.5 # systems where tariffs for water supply services are analysed as per their capacity to cover current expenditures for O&M of systems.</p> <p>2.6 # of systems where revolving fund for installation of household connections is implemented and results documented</p> <p>2.7 Operators are regularly reporting to AIAS and are performing operation and basic maintenance</p> | <p>2.1 = 0</p> <p>2.2 = 0</p> <p>2.3 = 0</p> <p>2.4 = 0</p> <p>2.5 = 0</p> <p>2.6 = 0</p> <p>2.7 = No</p> <p>2.8 = No</p> <p>2.9 = 0</p> | <p>2.1 = 60 000</p> <p>2.2 = 7 000m3/day</p> <p>2.3 = 10 000</p> <p>2.4 = 3</p> <p>2.5 = 3</p> <p>2.6 = 3</p> <p>2.7 = Yes</p> <p>2.8 = Yes</p> | <p>End-line survey -Final programme evaluation</p> <p>Third party monitoring</p> <p>Engineering reports on completion of works -Field-monitoring visits</p> <p>Leasing contract between AIAS and private operator</p> <p>Tariff reports</p> <p>Agreement (MoU) between AIAS and Operator(s) on the implementation of the revolving fund - Operator's report on progress of households' connections</p> <p>Operator's report to AIAS "planilhas"</p> <p>Operator's report to AIAS on the Revolving Fund</p> | <p>COVID-19 pandemic contained in its impact on project activities and overall economic situation.</p> |

| | | | | | | |
|-----------------|---|---|---------|--------------|--|-----------------|
| | | 2.8 O&M current expenditures is being covered with the tariff | | 2.9 = 3 000 | | |
| | | 2.9 # of additional households connections generated by revolving funds | | | | |
| Output 3 | Enhanced utilisation of improved sanitation and hygiene (WASH) facilities and services. | 3.1 Number of people that gain and maintain access to sanitation services through this EU-funded intervention, disaggregated by sex, age, ethnicity or rural/urban location | 3.1 = 0 | 3.1 = 45 000 | End-line survey -Final programme evaluation | |
| | | 3.2 Number of people that gain access to handwashing facilities through direct UNICEF support, disaggregated by sex, age, ethnicity and/or urban/rural location | 3.2 = 0 | 3.2 = 45 000 | | |
| | | 3.3 Number of students that gain access to appropriate WASH facilities through this EU-funded intervention (disaggregated by sex, age, ethnicity) | 3.3 = 0 | 3.3 = 3 750 | End-line survey -Final programme evaluation - Education counterparts national and provincial reports - Educational Management Information Systems (EMIS database) | |
| | | 3.4 Number of patients/medical staff that gain access to appropriate WASH facilities through this EU-funded intervention (disaggregated by sex, age, ethnicity) | 3.4 = 0 | 3.4 = 3 000 | End-line survey - Final programme evaluation - Health counterparts national and provincial reports - – <i>Sistema de Informação de Saúde para Monitoria e Avaliação (SISMA)</i> database | |
| | | 3.5 # of household sanitation facilities constructed / improved | 3.5 = 0 | 3.5 = 9 000 | Programme Evaluation Committees reports on completion of works - Field-monitoring visits | |
| | | 3.6 # of families receiving information on safe water supply, sanitation and hygiene practices | 3.6 = 0 | 3.6 = 15 000 | Engineering reports on completion of works - Field-monitoring visits | |
| | | | | | | Training report |

| | | | | | | |
|--|--|---|----------|-----------|--|--|
| | | 3.7 Number of schools that gain access to appropriate sex-disaggregated WASH facilities through this EU-funded intervention | 3.7 = 0 | 3.7 = 15 | | |
| | | 3.8 Number of Health Care Facilities that gain access to appropriate WASH facilities through this EU-funded intervention | 3.8 = 0 | 3.8 = 10 | | |
| | | 3.9 # of sanitation-related business created and/or supported | 3.9 = 0 | 3.9 = 12 | | |
| | | 3.10 # operators trained on Faecal Sludge Management | 3.10 = 0 | 3.10 = 12 | | |

4 IMPLEMENTATION ARRANGEMENTS

4.1 Financing Agreement

In order to implement this action, it is envisaged to conclude a financing agreement with the partner country

4.2 Indicative Implementation Period

The indicative operational implementation period of this action, during which the activities described in section 3 will be carried out and the corresponding contracts and agreements implemented, is 48 months from the date of entry into force of the financing agreement.

Extensions of the implementation period may be agreed by the Commission's responsible authorising officer by amending this Financing Decision and the relevant contracts and agreements.

4.3 Implementation Modalities

The Commission will ensure that the EU appropriate rules and procedures for providing financing to third parties are respected, including review procedures, where appropriate, and compliance of the action with EU restrictive measures⁷.

4.3.1 Indirect Management with a pillar assessed entity

This action may be implemented in indirect management with UNICEF. The envisaged entity has been selected by the Commission's services using the following criteria:

- Technical competence in the water and sanitation sector and leverage for policy dialogue
- Established presence in Mozambique, including the logistical and management capacities
- Administrative capability and the experience to implement this type of intervention due to its mandate and expertise;
- Experience with management of delegated funds from the EU
- Demonstrated capacity to coordinate with various stakeholders.

This implementation entails carrying out all activities described in 3.2 contributing to outputs in 3.1: carrying out due diligence, supporting and providing non-objection to all tendering processes for the implementation of these activities; monitoring and reporting, including financial reporting, on all activities funded under the joint financing; coordinating intervention of all stakeholders.

In case the envisaged entity would need to be replaced, the Commission's services may select another replacement entity using the same criteria. If the entity is replaced, the decision to replace it needs to be justified.

Exception to the non-retroactivity of costs

The Commission authorises that the costs incurred may be recognised as eligible as of 01/04/2022 because of the need to complete feasibility studies, including Environmental and Social Impact Assessments (ESIA), before the adoption of this Decision.

4.4 Scope of geographical eligibility for procurement and grants

N/A

⁷ www.sanctionsmap.eu. Please note that the sanctions map is an IT tool for identifying the sanctions regimes. The source of the sanctions stems from legal acts published in the Official Journal (OJ). In case of discrepancy between the published legal acts and the updates on the website it is the OJ version that prevails.

4.5 Indicative Budget

| Indicative Budget components | EU contribution (amount in EUR) | Third-party contribution, in currency identified |
|---|--|---|
| Implementation modalities – cf. section 4.4 | | |
| 4.4.4 Indirect Management with an international organisation | 19 800 000 | EUR 2 000 000 |
| 5.2 Evaluation | 120 000 | |
| 5.3 Audit | 80 000 | |
| Totals | 20 000 000 | EUR 2 000 000 |

4.6 Organisational Set-up and Responsibilities

The WASH team will be under the leadership of the UNICEF Deputy Representative, which will undertake overall programme management, financial and technical guidance. Main counterparts such as AIAS, AURA, SPIs, DPOPs and SDPIs, responsible for different activities of project implementation, will be accountable for providing updated data to UNICEF on project activities, and UNICEF will be accountable for reporting to the EU.

A Steering Committee at national level will be led by AIAS with the main objective of oversee the progress of activities, provide advice, and decide on proposed changes to the programme. The Committee will meet minimum twice per year as well as on specific demand. The EU will be invited to participate to these Steering Committees.

The program will be implemented at three inter-linked levels:

At the national level: Activities will be planned and implemented under the leadership of AIAS, in close coordination with the Ministry of Public Works, Housing and Water Resources and the Regulating Body, AURA. AIAS will be responsible for activities related with the establishment of the regulatory framework, selection and training of the water system operator(s), and the implementation of the revolving fund. Other entities involved in the programme will be the Ministries of Health, Education, Environment and Local government.

At the provincial level: Activities related to output 2 and 3 will be under the leadership of the State Secretaries of the respective Provinces through the Infrastructure Planning Services, and the Provincial Delegations of AIAS. Activities related with output 4, WASH in Schools and Healthcare Facilities will be implemented by DPOP in coordination with provincial health and education directorates.

At local level: Under the leadership of the District Governments, the SDPIs, with assistance of the AIAS Delegations, will be mostly involved in the implementation of sanitation activities under output 3.

All activities will have strong and active participation from beneficiaries. The technical options regarding the water supply system will follow a consultative process with local leaders and users including community representatives from women and relevant organisations including ADEMO (association for persons with disabilities) and facilities in schools and health care centres will also follow a consultative process to meet the needs of women.

Sanitation activities will have a specific component of providing subsidies to persons with disabilities and vulnerable families, for which the technical designs will be tailor-made during workshops to allow the participation of the final users.

As part of its prerogative of budget implementation and to safeguard the financial interests of the Union, the Commission may participate in the above governance structures set up for governing the implementation of the action.

5 PERFORMANCE MEASUREMENT

5.1 Monitoring and Reporting

The day-to-day technical and financial monitoring of the implementation of this action will be a continuous process, and part of the implementing partner's responsibilities. To this aim, the implementing partner shall establish a permanent internal, technical and financial monitoring system for the action and elaborate regular progress reports (not less than annual) and final reports. Every report shall provide an accurate account of implementation of the action, difficulties encountered, changes introduced, as well as the degree of achievement of its results (Outputs and direct Outcomes) as measured by corresponding indicators, using as reference the logframe matrix.

Indicators shall be disaggregated at least by sex. All monitoring and reporting shall assess how the action is taking into account the human rights-based approach and gender equality.

The Commission may undertake additional project monitoring visits both through its own staff and through independent consultants recruited directly by the Commission for independent monitoring reviews (or recruited by the responsible agent contracted by the Commission for implementing such reviews).

Roles and responsibilities for data collection, analysis and monitoring:

Each year, UNICEF, with the Government of Mozambique, develops Annual Work Plans, alongside the national annual planning process, known as the Plano Económico Social (PES) These plans agree upon implementation modalities, timing and financial modalities for the execution of the plan during the calendar year.

The monitoring system will focus on process monitoring, progress and results indicators. UNICEF will be responsible for internal monitoring of the programme's outputs and impact results and regularly reporting to the Steering Committee. This monitoring will include periodic collection of information; primary sources of verification will be activity reports, field visit reports, checklists and sectoral review reports.

External monitoring under the form of external Results Oriented Monitoring (ROM) exercises will be commissioned by the EU Delegation at selected times of the project.

Relevant information for the indicators of access to services at selected towns' level will not be available until the baseline survey is undertaken. Once the baseline data are available, the programme's logical framework and activities framework will be updated to reflect the baseline value before, and target values after the action. This update will be a joint exercise and will follow a joint monitoring mission.

Regular monitoring will also be assured by partner institutions – AIAS, SPIs, DPOP and the SDPIs – providing as such immediate feedback, on the pace and quality of activity implementation for immediate corrective action to achieve annual targets.

The EU delegation will participate in joint monitoring missions. Annual joint reviews will provide the formal mechanism through which all parties can agree to modify the logical frameworks and adapt the programme accordingly.

5.2 Evaluation

A baseline study will be undertaken by UNICEF to update the programme implementation. The study will establish baseline data for key indicators in the three towns, as indicated on the logical framework. As soon as the baseline data is available and validated, the logical framework will be updated. The same indicators will be evaluated at the end of the program in order to measure progress against the expected outputs and outcomes.

Having regard to the nature of the action, a mid-term and final evaluations may be carried out for this action or its components via independent consultants contracted by the Commission.

A mid-term evaluation will be carried out for problem solving and learning purposes, in particular with respect to provide evidence of progress achieved, remaining gaps, and propose recommendations for substantive course correction to overcome stubborn or unforeseen circumstances. The draft final report will be shared and discussed during a mid-term review workshop to be held at local level. This period would require close collaboration with all stakeholders to agree on recommendations and the way forward.

A final evaluation will be carried out for accountability and learning purposes at various levels (including for policy revision), taking into account in particular the fact that the evaluation will verify progress made, including programme design, approaches applied and results, with the aim of determining the programme's efficiency, effectiveness, impact, sustainability, and relevance.

All evaluations shall assess to what extent the action is taking into account the human rights-based approach as well as how it contributes to gender equality and women's empowerment. Expertise on human rights and gender equality will be ensured in the evaluation teams.

The Commission shall inform the implementing partner at least 2 months in advance of the dates envisaged for the evaluation missions. The implementing partner shall collaborate efficiently and effectively with the evaluation experts, and inter alia provide them with all necessary information and documentation, as well as access to the project premises and activities.

The evaluation reports shall be shared with the partner country and other key stakeholders following the best practice of evaluation dissemination⁸. The implementing partner and the Commission shall analyse the conclusions and recommendations of the evaluations and, where appropriate, in agreement with the partner country, jointly decide on the follow-up actions to be taken and any adjustments necessary, including, if indicated, the reorientation of the project.

Evaluation services may be contracted under a framework contract.

5.3 Audit and Verifications

Without prejudice to the obligations applicable to contracts concluded for the implementation of this action, the Commission may, on the basis of a risk assessment, contract independent audit or verification assignments for one or several contracts or agreements.

6 STRATEGIC COMMUNICATION AND PUBLIC DIPLOMACY

The 2021-2027 programming cycle will adopt a new approach to pooling, programming and deploying strategic communication and public diplomacy resources.

It will remain a contractual obligation for all entities implementing EU-funded external actions to inform the relevant audiences of the Union's support for their work by displaying the EU emblem and a short funding statement as appropriate on all communication materials related to the actions concerned. This obligation will continue to apply equally, regardless of whether the actions concerned are implemented by the Commission, partner countries, service providers, grant beneficiaries or entrusted or delegated entities such as UN agencies, international financial institutions and agencies of EU Member States.

However, action documents for specific sector programmes are in principle no longer required to include a provision for communication and visibility actions promoting the programmes concerned. These resources will instead be consolidated in Cooperation Facilities established by support measure action documents, allowing Delegations to plan and execute multiannual strategic communication and public diplomacy actions with sufficient critical mass to be effective on a national scale.

⁸ See best [practice of evaluation dissemination](#)

Appendix 1 REPORTING IN OPSYS

An Intervention (also generally called project/programme) is the operational entity associated to a coherent set of activities and results structured in a logical framework aiming at delivering development change or progress. Interventions are the most effective (hence optimal) entities for the operational follow-up by the Commission of its external development operations. As such, Interventions constitute the base unit for managing operational implementations, assessing performance, monitoring, evaluation, internal and external communication, reporting and aggregation.

Primary Interventions are those contracts or groups of contracts bearing reportable results and respecting the following business rule: 'a given contract can only contribute to one primary intervention and not more than one'. An individual contract that does not produce direct reportable results and cannot be logically grouped with other result reportable contracts is considered a 'support entities'. The addition of all primary interventions and support entities is equivalent to the full development portfolio of the Institution.

The present Action identifies as;

| Action level | | |
|-------------------------------------|---------------|---|
| <input checked="" type="checkbox"/> | Single action | Present action: all contracts in the present action |

Appendix 2: Team Europe Initiative Green Deal - Mozambique

Team Europe Initiative Green Deal - Mozambique Financial Contributions of Team Europe

04/12/2022

| Pillars | Country | Programmes/Projects | Financial participation (M€)- Approved and/or ongoing | | Financial participation (M€)- Pipeline | | Non-financial (M€) Quantified time, staff, experts outside of projects in Euros | Total Financial and non-financial (M€) |
|--------------------------|---------|-------------------------|---|-------------------------|--|-------------------------|--|--|
| | | | Grants | Loans Guarantees Equity | Grants | Loans Guarantees Equity | | |
| All pillars | EU | All programmes/projects | 227,375,424 | 21,000,000 | 139,730,000 | | | 388,105,424 |
| | AT | | 935,000 | | 4,500,000 | | | 5,435,000 |
| | BE | | 55,524,404 | | 2,500,000 | | | 58,024,404 |
| | DE | | 202,560,947 | | | | | 202,560,947 |
| | ES | | 9,180,000 | | | | | 9,180,000 |
| | FR | | 23,228,000 | 42,000,000 | | | | 65,228,000 |
| | IE | | 0 | | 21,000,000 | | | 21,000,000 |
| | IT | | 40,629,591 | 61,752,000 | | | | 102,381,591 |
| | NL | | 62,029,800 | | 82,000,000 | | | 144,029,800 |
| | PT | | 308,780 | | | | | 308,780 |
| | SE | | 130,760,982 | | 180,208,333 | | | 310,969,315 |
| | EIB | | | | 105,414,674 | | 50,000,000 | |
| Total Team Europe | | | 752,532,928 | 230,166,674 | 429,938,333 | 50,000,000 | | 1,462,637,935 |