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**THIS ACTION IS FUNDED BY THE EUROPEAN UNION**

**ANNEX**

of the Commission Decision on the financing of the special measure in favour of the Republic of Mozambique

**Action Document for the Recovery and Resilience Programme**

|  |   |                      |
|--|---|----------------------|
| <b>1. Title/basic act/<br/>CRIS number</b>                         | Recovery and Resilience Programme<br>CRIS number: MZ/FED//042-274<br>financed under the 11 <sup>th</sup> European Development Fund (EDF)  |                      |
| <b>2. Zone benefiting<br/>from the<br/>action/location</b>         | The Republic of Mozambique<br>The action shall be carried out at the following location: The provinces affected by the Cyclones Idai and Kenneth  |                      |
| <b>3. Programming<br/>document</b>                                 | 11 <sup>th</sup> European Development Fund (EDF) B-envelope   |                      |
| <b>4. Sustainable<br/>Development<br/>Goals (SDGs)</b>             | Main SDGs: 1 – End Poverty, 13 – Climate Action<br>Other significant SDGs: 2 – Zero Hunger; 3 – Good health and well-being, 5 – Gender Equality, 6 – Clean water and sanitation, 9 – Industry, innovation and infrastructure, and 11 – Sustainable cities and communities   |                      |
| <b>5. Sector of<br/>intervention/<br/>thematic area</b>            | Resilience building   | DEV. Assistance: YES |
| <b>6. Amounts<br/>concerned</b>                                    | Total estimated cost: EUR 79 300 000<br>Total amount of EDF contribution <b>EUR 70 000 000</b><br>This action is co-financed for a total amount (indicative) of EUR 9 300 000 in joint co-financing by:<br>- United Nations Development Programme for an amount of USD 2 200 000 <sup>1</sup><br>- Canada for an amount of CAD 250 000<br>- The Netherlands for an amount of USD 3 000 000<br>- Norway for an amount of USD 2 000 000<br>- Finland for an amount of USD 3 000 000 (to be confirmed) |                      |
| <b>7. Aid modalities<br/>and<br/>implementation<br/>modalities</b> | Project Modality<br><b>Indirect management</b> with United Nations International Children’s Emergency Fund (UNICEF)<br><b>Indirect management</b> with the Netherlands Enterprise Agency ( <i>Rijksdienst voor Ondernemend Nederland – RVO</i> )<br><b>Indirect management</b> with United Nations Development Programme (UNDP)   |                      |

<sup>1</sup> InforEuro, September 2019

|   |  |                                     |                                     |                                     |
|---|--|-------------------------------------|-------------------------------------|-------------------------------------|
| <b>8 a) DAC codes</b>   | 73010 – Reconstruction, relief and rehabilitation; 12240 – Basic nutrition |                                     |                                     |                                     |
| <b>b) Main Delivery Channel</b>   | 41114 – UNDP; 41122 – UNICEF; 13000 – Third Country Government             |                                     |                                     |                                     |
| <b>9. Markers (from CRIS DAC form)</b>                                  | <b>General policy objective</b>  | <b>Not targeted</b>                 | <b>Significant objective</b>        | <b>Principal objective</b>          |
|   | 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 type="checkbox"/>            | <input checked="" type="checkbox"/> | <input type="checkbox"/>            |
|   | Disaster Risk Reduction  | <input type="checkbox"/>            | <input type="checkbox"/>            | <input checked="" type="checkbox"/> |
|   | Inclusion of persons with disabilities                                     | <input checked="" type="checkbox"/> | <input type="checkbox"/>            | <input type="checkbox"/>            |
|   | Nutrition  | <input type="checkbox"/>            | <input type="checkbox"/>            | <input checked="" type="checkbox"/> |
|   | <b>RIO Convention markers</b>  | <b>Not targeted</b>                 | <b>Significant objective</b>        | <b>Principal objective</b>          |
|   | 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 type="checkbox"/>            | <input checked="" type="checkbox"/> | <input type="checkbox"/>            |
|   | Climate change adaptation  | <input type="checkbox"/>            | <input type="checkbox"/>            | <input checked="" type="checkbox"/> |
| <b>10. Global Public Goods and Challenges (GPGC) thematic flagships</b> | Pro-Resilience Action (PRO-ACT)  |                                     |                                     |                                     |

## SUMMARY

Mozambique ranks third among African countries most exposed to multiple weather-related hazards and suffers frequently from floods, epidemics, cyclones and droughts. **In 2019, the country faced unprecedented destruction:** it was the first time in recorded history that **two strong cyclones (Idai and Kenneth)** hit the country during the same cyclone season – the first being one of the strongest cyclones to hit the African continent. Moreover, the cyclones took place in a context of high vulnerability, where the population is already struggling with drought and low agricultural yields.

The two cyclones caused the death of more than 650 people and directly **affected about 2 million people** in the provinces of Sofala, Manica, Tete, Zambezia, Inhambane, Cabo Delgado and Nampula. The cyclones damaged important infrastructure and destroyed livelihoods and their effects have been all the more impactful, due to pre-existing

vulnerabilities characterising the affected area, Mozambique ranking 180 out of 189 in the Human Development Index 2018. Based upon the **Post Disaster Needs Assessment (PDNA)** carried out in April-May 2019, a **Disaster Recovery Framework (DRF)** was prepared under the leadership of Mozambique's Cabinet for Reconstruction. The estimated cost of recovery and reconstruction amounts at USD 3.2 billion.

The **overall objective** of the action is to contribute to the social and economic recovery of the provinces affected by the Cyclones Idai and Kenneth.

The five specific objectives for this action are the following:

- SO1. Restored, resilient and inclusive livelihoods and economic empowerment of the affected women.
- SO2. Restored and increased access to housing and community infrastructure by the affected population through their active engagement.
- SO3. Increased sanitation coverage and improved public health and environmental conditions in the city of Beira.
- SO4. Improved nutritional and WASH (Water, Sanitation and Hygiene) status in targeted affected districts.
- SO5. Policies and systems are put forward/developed by the Reconstruction Cabinet and other national and local actors for leading and coordinating the post-cyclone recovery implementation.

The European Commission pledged EUR 100 million for post-cyclone recovery and reconstruction in Mozambique. EUR 80 million are mobilised on the B-envelope of which EUR 70 million will finance this action for the specific objectives cited above.

## 1. CONTEXT ANALYSIS

### 1.1. Context Description

Mozambique achieved significant economic growth between 2000 and 2015, with real GDP growth rates averaging 7% over this period<sup>2</sup>, largely driven by sound macroeconomic management, several large-scale foreign investment projects in the extractives sector and significant donor support. It also benefitted from the impact of the commodity price boom of the 2000s in agricultural and mineral sectors. However, Mozambique's robust economic performance was not translated into similar gains in living standards nor invested in strengthening resilience at local level, including to climate shocks despite being recurrent.

Mozambique still ranks amongst the ten countries with the lowest Human Development Index (180 out of 189 countries in 2017) and among the ten lowest annual gross domestic product (GDP) per capita in 2018 (USD 490)<sup>3</sup>. Poverty remains high with 46.1% of the population living below the national poverty line in 2014-2015, down only by 6.7 percentage points from rates prevailing at the beginning of the 2000s. The absolute number of people living in poverty has remained relatively constant (11.8 million people) as the population has been growing faster. Differences between women and men are manifest. Mozambique ranks 139 out of 159 countries in the UNDP Gender Inequality Index. Moreover, there is a widening economic gap between rural and urban zones (37.4% urban poverty compared to 50.1% in rural areas) and geographical regions (Provinces in the Centre and North have poverty rates of nearly 40 points higher than the Province of Maputo).

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<sup>2</sup> World Bank data.

<sup>3</sup> <https://data.worldbank.org/indicator>

The impressive GDP growth of Mozambique abruptly slowed down in 2015, declining to 3.7% in 2017. The economic downturn factors included the impact of the 2016 El Niño drought on agricultural production, the fall in commodity prices affecting Mozambique's mineral exports (particularly aluminum and coal), and a contraction of Foreign Direct Investment (FDI) inflows. These were aggravated by the discovery in 2016 of undisclosed state-guaranteed loans representing 10% of GDP (approx. USD 1.4 billion) which created a climate of mistrust among the donor community causing the International Monetary Fund (IMF) to discontinue its programmes and the budget support donors to terminate subsequently all budget support operations.

Nonetheless, considering the expected FDI inflows related to investments in large gas deposits, Mozambique has the potential to become a middle income country in the course of the next 15 years.

Mozambique has a total land area of 799 380 km<sup>2</sup>, with a 2 470-km shoreline on the Indian Ocean and with nine river basins prone to flooding. The country is endowed with a large natural resource base with approximately 50 million hectares available for agricultural production, characterised by two distinct climate regimes, ten agro-ecological zones and several livelihood areas: a very complex and diverse country profile. Furthermore, Mozambique ranks as the third most hydro-meteorologically disaster-prone country in Africa (World Bank Risk Index, 2017). The occurrence of natural disasters such as floods, cyclones, droughts and earthquakes has consistently had a significant impact on women and men and the economy.

Nevertheless, the intense tropical Cyclone Idai, which made landfall near the city of Beira on 14 March 2019, is one of the worst tropical cyclones on record to affect Africa and in particular the Southern Hemisphere. Besides, with the category four Cyclone Kenneth hitting Cabo Delgado province on 25 April 2019, it is the first time in recorded history that two strong cyclones (above Cat 2) impacted the country during the same cyclone season. The two cyclones caused the death of more than 650 people and directly affected about 2 million people in the provinces of Sofala, Manica, Zambezia, Tete, Inhambane and Cabo Delgado.

The disaster interrupted the delivery of basic services such as water and electricity, it damaged roads and bridges that are essential for commercial activity, and destroyed houses, shops and other buildings. Crops and livestock were also severely affected. More than 700 000 hectares of cultivated land were flooded and other sources of livelihoods such as fishing boats and equipment of communities living along the coastline were also affected. The cyclones are also expected to trim this year's economic growth by two percentage points from its existing forecast for 3.8%. According to projections of the Ministry of Economy and Finance growth is expected to settle at 1.1% to 2.8% in 2019.

Cyclone Idai impacted women and girls differently due to low levels of education, high maternal health risks, pressure to marry at a young age, high levels of teenage pregnancy, limited economic prospects, gender-based violence and accepted cultural norms.

Considering this serious situation, on 20 March, the Council of Ministers declared a **state of emergency** for the first time in the country's history and made an appeal for international assistance.

The **EU Civil Protection Mechanism (EUCPM)** was promptly activated to provide water, sanitation, health, communications and shelter. In parallel, the Commission's Directorate-General for Humanitarian Aid (**ECHO**) mobilised EUR 9 million for humanitarian assistance in response to the emergency through different implementing partners.

In the aftermath of Cyclone Idai, the Government created by decree **the Cabinet for Reconstruction**. Its mandate was expanded to areas affected by Cyclone Kenneth in May 2019. The **Post Disaster Needs Assessment (PDNA)** was conducted in April-May 2019

under the leadership of the Government, through the newly created Cabinet for Reconstruction, and supported by a global partnership that included the European Union (EU), the World Bank, the United Nations System, and the African Development Bank (AfDB), using the internationally recognised methodology. The total cost of recovery and reconstruction is estimated at USD 2.9 billion for the 4 provinces of Sofala, Manica, Tete and Zambezia. The additional needs in Inhambane, which was also affected by Cyclone Idai and in Cabo Delgado and Nampula, which were affected by Cyclone Kenneth, raise the total recovery needs to USD 3.2 billion.

The Government of Mozambique held an International Donors Conference on 1 June 2019 in Beira (capital of Sofala province) where donors pledged USD 1.3 billion. The EU pledged EUR 200 million upon this occasion: EUR 100 million from the European Commission in grants and EUR 100 million from the European Investment Bank (EIB) in concessional loans.

Out of EUR 100 million, **EUR 80 million are mobilised through the B-envelope** and distributed as such:

- EUR 10 million for ECHO activities in emergency and early recovery
- EUR 70 million to be mobilised through this action.

Moreover, EUR 10 million are mobilised within the ‘Sustainable Jobs and Investments programme’ financed on the 11<sup>th</sup> EDF NIP and will be channeled through the African Investment Platform for a blending operation for recovery, reconstruction and resilient infrastructure building.

Finally, EUR 10 million will support education in emergencies and community-building activities through the Instrument contributing to Stability and Peace (IcSP).

Based upon the PDNA, a **Disaster Recovery Framework (DRF)** was prepared under the leadership of Mozambique’s Cabinet for Reconstruction. The **overall objective** of recovery over the next five years is to rebuild the human fabric and restore the basic services, as well as the economic and social infrastructure that was damaged or destroyed by Cyclones Idai and Kenneth.

## **1.2. Policy Framework (Global, EU)**

This action will reach out to the people most affected by the cyclones (borderline resilient), including women and girls and other people living in vulnerable situations. A human rights based approach (RBA) will be enshrined into the planned interventions, while working in close cooperation with local governments to meet its obligations of service delivery.

The action is aligned and will contribute to the **EU Policy framework for development** as set out in the new European Consensus on Development<sup>4</sup> and the United Nations 2030 Agenda for Sustainable Development. Moreover the action will take into account or contribute to:

- The **EU Communication ‘A budget for Europe 2020’** (COM 500/2011) to ensure proper mainstreaming of climate change (adaptation) and environment sensitive activities
- **Action Plan for Resilience**<sup>5</sup> in Crisis Prone Countries 2013-2020
- Communication **‘Enhancing maternal and child nutrition in external assistance’**<sup>6</sup> and Commission Staff Working Document: Action Plan on Nutrition<sup>7</sup>.

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<sup>4</sup> OJ C 210 of 30.6.2017

<sup>5</sup> JOIN(2017) 21 final of 7.6.2017.

<sup>6</sup> COM(2013)141 final of 12.3.2013.

<sup>7</sup> SWD(2014) 234 final of 3.7.2014.

- The EU Communication ‘**EU policy framework to assist developing countries in addressing food security challenges**’<sup>8</sup>.
- The EU Council Conclusions on the **EU Human Rights Guidelines on Safe Drinking Water and Sanitation** (17 June 2019).
- The EU **Gender Action Plan**<sup>9</sup>, in particular the objective 20 ‘Equal rights enjoyed by women to participate in and influence decision- making processes on climate and environmental issues’.

Finally, this action is embedded in the second focal sector ‘Rural development’ of the 11<sup>th</sup> EDF National Indicative Programme (NIP) signed with Mozambique for the period 2014-2020.

### 1.3. Public Policy Analysis of the partner country/region

This action is anchored in the **Disaster Recovery framework (DRF)** approved by the Mozambican Government. It is also aligned to the following general policy documents:

- the **revised ‘Agenda 2025’**, which takes into account the rapidly changing development context of Mozambique (e.g. extractives);
- the **National Development Strategy 2015-2035** (*Estratégia Nacional de Desenvolvimento – ENDE*) with a more explicit and relevant objective of economic transformation and diversification of the production base;
- the **Five-Year Government Plan 2015-2019** (*Programa Quinquenal do Governo – PQG*), which sets as central objective to improve the living conditions of the Mozambican people, increasing employment, productivity and competitiveness, creating wealth and generating a balanced and inclusive development in an environment of peace, security, harmony, solidarity, justice and cohesion among Mozambicans.

Mozambique also disposes of a Disaster Management Law (Law No. 15/2014) that establishes the legal regime for disaster risk management, including prevention and mitigation, disaster relief and reconstruction.

Other important guiding documents for the action include sectorial national strategies<sup>10</sup> linked to main components of this programme.

Finally, the Republic of Mozambique was a pioneer on connecting issues of gender and climate change by pursuing a **Gender, Environment and Climate Change Strategy and Action Plan** in early 2010 – making Mozambique the first Government in the world to create such a policy and programme for implementation. Mozambique also disposes of a **National action plan on women and peace and security**, covering the period 2018–2022 and a second **national plan to combat violence against women**, for the period 2018–2021.

### 1.4. Stakeholder analysis

#### *Key Stakeholders:*

The *Minister of Public Works, Housing and Water Resources* will provide strategic oversight and coordination among ministries at the central level, including inter-ministerial coordination. Under the authority of the latter, the *Cabinet for Reconstruction*, created by

<sup>8</sup> COM(2010)127 final of 31.3.2010.

<sup>9</sup> ‘Gender Equality and Women’s Empowerment: Transforming the Lives of Girls and Women through EU External Relations 2016-2020’ SWD(2015)182 final of 21.9.2015.

<sup>10</sup> Non-exhaustive list: the Territorial Planning Law and Regulation (2007, 2008); the National Urban Water and Sanitation Strategy 2011-2025; the Integrated Sanitation Programme 2014–2015; the National Rural Water and Sanitation Programme (PRONASAR); the Multi-sector Action Plan for the Reduction of Chronic Undernutrition (PAMRDC) 2011-2020; the newly developed Food Security and Nutrition Strategy (ESAN-III) 2020-2030 (yet to be approved).

Decree after Cyclone Idai, will have oversight on the planning, implementation, monitoring and evaluation of recovery and reconstruction. The *National Institute of Disaster Management* (INGC), an autonomous institution under the Ministry of Foreign Affairs and Cooperation mandates with disaster management also continues to play an important role.

*Line ministries* and public institutions linked to areas covered by the action<sup>11</sup> will be fully involved in the implementation of the programme.

*District and Municipal councils* of affected areas will be actively involved in the planning and implementation of all activities.

Development partners, such as United Nations agencies, the World Bank, the African Development Bank and EU Member States contributing to the implementation of the DRF are key players with whom joint planning, action and coordination will be reinforced.

*Non-governmental organisations* (NGOs) are important implementing partners that represent the rights of the different target groups, especially those living in vulnerable situations (people living with impairments, minorities, etc.)

Finally, *private sector* companies are also important stakeholders with which partnerships have to be sought actively. Private sector will abide by the UN Guiding principles on business and human rights.

### ***Target groups and final beneficiary***

The *target groups* are the disaster-affected people especially women, youth and other disadvantaged categories (right-holders). The *final beneficiary* of this action is the whole population of Mozambique, in particular people from cyclone affected areas that will be more resilient to disasters.

## **1.5. Problem analysis/priority areas for support**

According to the PDNA, the **damage** caused by Cyclone Idai is estimated to be over USD 1.4 billion in total, which reflects the cost of replacing infrastructure and physical assets. The bulk of the damage fell heavily on the transport sector (valued at USD 442 million), housing sector (USD 411 million), industry and commerce sector (USD 140 million), and energy sector (USD 133.5 million). Damage was relatively lower, yet still significant, in the environment sector at USD 80 million, and for the agriculture sector with USD 48 million.

Total **losses** equal USD 1.39 billion, which reflect the changes in economic flows to full recovery including lost income in the production of goods and services and additional costs to re-establish production. The agriculture sector suffered the most losses with USD 513 million (with a direct impact on food and nutrition security), followed closely by industry and commerce (USD 470 million), transport (USD 153 million) and health sectors (USD 109 million).

Prior to the cyclone and the floods, an estimated 1.78 million people were already **food insecure** in Mozambique, according to the Integrated Phase Classification (IPC) analysis and the Technical Secretariat for Food Security and Nutrition (SETSAN). In the projection period from October 2019 to May 2020, it is expected that this number of people could increase to almost 2.5 million. Loss of food stocks, crops and agriculture inputs as consequences of the cyclones have left above 1.5 million people food insecure in the affected provinces, depriving them from their right to minimum health standards.

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<sup>11</sup> Non-exhaustive list: MISAU (Ministry of Health), MASA( Ministry of Agriculture and Food Security), AIAS (Water and Infrastructure Water Management), SASB (Beira Sanitation Autonomous Service), SETSAN (Mozambique Technical Secretariat for Food Security and Nutrition), etc.

The loss of **housing** greatly affects poverty and contravenes the right to adequate housing. Of equal concern is the simultaneous loss of all household goods and productive assets, which in terms of monetary value are proportionally higher than building costs. For families that have lost everything at once, finding the necessary financial and material resources to simultaneously rebuild housing, replace domestic items, and rebuild **livelihoods**, will be extremely challenging and will take time. The role of civil society is important to this regard.

**Beira**, the capital of Sofala province and the 4<sup>th</sup> most populated city in the country, is the largest city in the area which was hit by Cyclone Idai. Rehabilitation and reconstruction of the economic and social infrastructures are fundamental to ensure the city recovers its pulse as the administrative capital and the economic engine of the entire central region of Mozambique. Development of the city is carried out in phases according to the Beira master plan. However, following the cyclone, a Climate Change and Disaster Resilience Strategy was drafted by the Municipality. This strategy focuses on five key areas of infrastructure: coastal protection, drainage, sewage, solid waste, roads infrastructures and housing. The financial needs for the implementation of this strategy amount to over USD 670 million. All the mentioned areas have received attention from different donors except **sewage** and solid waste. In a city lying under sea level, the absence of a proper and sustainable sewage system to ensure healthy life conditions and environment is key to support economic development. It is also important to avoid spread of epidemic diseases such as cholera with every above average rainfall episode. The Autonomous Service for Sanitation in Beira (SASB) states that most of the sewage network is damaged with numerous holes and some of the pipes have collapsed in the aftermath of the cyclone. The current sewage system needs to be rehabilitated and extended to cover at least the most populated areas. Currently only 37% of the population of Beira is served by the sewage system.

The precarious status of women and girls in the country sets them at higher risk for food insecurity and gender-based violence. According to the PDNA, rape is a direct result of greater exposure of women and girls to distant and unsafe locations, such as water collection points, sanitation facilities and health centers. With the destruction of health facilities, pregnant women have limited access to safe deliveries.

The newly created **Reconstruction Cabinet** mentioned under item 1.3 will need capacity strengthening to ensure its systems are in place to coordinate, to provide general oversight of the recovery efforts and to communicate on these issues to the general public. Communication and outreach capacity, resource mobilisation, knowledge sharing and leveraging global best practices are all areas that need to be strengthened. Local actors in the affected areas will also need support to ensure that they play an active role in this process.

## 2. RISKS AND ASSUMPTIONS

| <b>Risks</b>   | <b>Risk level<br/>(H/M/L)</b> | <b>Mitigating measures</b>   |
|--|-------------------------------|--|
| High level of corruption   | H                             | <ul style="list-style-type: none"> <li>- Implementation of EU anti-corruption programme and support to more transparent Public Finance Management (PFM).</li> <li>- Oversight of the procurement process for reconstruction by UN agencies and Member States.</li> <li>- Regular auditing.</li> </ul>  |
| Occurrence of new weather-related disasters  | H                             | <ul style="list-style-type: none"> <li>- Focus on resilience to natural disasters and apply 'Building Back Better' principles</li> <li>- Implementation of 'PROMOVE Biodiversidade' promoting climate adaptation.</li> <li>- Crisis modifier added to this action</li> </ul>   |
| Deterioration of the security situation in the North   | H                             | <ul style="list-style-type: none"> <li>- Intensify dialogue with civil society organisations (CSOs), religious entities and private sector operating in Cabo Delgado.</li> <li>- Participate in the Northern Provinces multi-stakeholder Platform, which includes Cabo Delgado, to improve actions coordination.</li> <li>- Strengthen political and policy dialogue with authorities.</li> <li>- Support actions aiming at reinforcing local communities' resilience and building their capacity for social stability and peace.</li> </ul> |
| Lack of consolidation of peace and democracy   | M                             | <ul style="list-style-type: none"> <li>- Implementation of the Peace programme in support of the Peace agreement signed in August 2019.</li> <li>- Continue the implementation good governance projects, including of EU support to Democracy.</li> </ul>  |
| Risk of feminisation of poverty  | M                             | <ul style="list-style-type: none"> <li>- Specific attention and awareness-raising for the cross-cutting issues and gender mainstreaming through the project.</li> </ul>  |
| Low capacity of implementing partners to efficiently use the funds according to procedures   | M                             | <ul style="list-style-type: none"> <li>- EU will closely follow up the implementation of the programme in order to timely find appropriate solutions if deemed necessary.</li> </ul>   |
| Work in 'silos' under main components of the action which are led by different implementing partners   | L                             | <ul style="list-style-type: none"> <li>- Building concrete synergies amongst components during the technical discussions which will define in detail the interventions under each component (particularly for component 1 and 3).</li> <li>- Promote linkages between different components, in particular in the context of the oversight role of the Reconstruction Cabinet.</li> </ul>   |
| <b>Assumptions</b> <ul style="list-style-type: none"> <li>- Relevant Ministries and agencies are cooperative and support the action.</li> <li>- Other donors honour their engagements.</li> <li>- Adequate level of participation and contribution from all concerned stakeholders.</li> <li>- Political and security stability is granted.</li> <li>- Macro-economic situation is stabilised/improved.</li> <li>- Coordination of the different entities/authorities is ensured.</li> </ul> |                               |  |

### 3. LESSONS LEARNT AND COMPLEMENTARITY

#### 3.1. Lessons learnt

*Scale up the response.* The international community has already dedicated significant efforts to recovery and reconstruction of affected areas. However, more needs to be done to provide a response corresponding to the scale of the disaster, in particular in terms of ensuring food security, livelihood recovery, resilient social and economic infrastructure and safe housing.

*Building back better (BBB).* In post-disaster recovery, it is important to use good installation techniques promoting BBB and climate resilient construction methods. This approach reduces vulnerability to future disasters and builds community resilience to address physical, social, environmental, and economic vulnerabilities and shocks.

*Community participation.* It should be avoided that the post-disaster recovery process is centrally planned and implemented following a top-down approach. Engaging people helps to improve the delivery and quality of recovery services, enhances social inclusion, and brings greater transparency and accountability.

*Gender and people living in vulnerable situations.* The PDNA stresses that the recovery burden is particularly difficult for female-headed households, including widows, who are both the income provider and main caregiver. They face difficulties in being able to simultaneously rebuild homes, serve as the primary caregiver, and rebuild their livelihoods. Particular attention needs to be paid to women and girls and people living in vulnerable situations.

*Flexibility.* Pre-planned development programmes do not have the flexibility to quickly reallocate funding to address spikes in need. To address this issue, this action integrates a so-called ‘**crisis modifier**’, designed to enable early action and rapid response to new humanitarian needs that could manifest in the project areas during the implementation phase.

*Link Relief, Rehabilitation and Development (LRRD).* The most suitable approach to tackle all of the above issues is the LRRD approach which allows the programme to progressively take over from emergency aid so as to stabilise the economic and social situation and facilitate the transition towards medium and long-term development strategies. An articulated approach between the different EU partners who will operate at the same time is needed and should be translated into effective coordination (ECHO, IcSP, Commission’s Directorate-General for International Cooperation and Development (DEVCO), etc.).

#### 3.2 Complementarity, synergy and donor coordination

The PDNA to support the country’s recovery process, based on facts and evidence and following a recognised methodology, was a first clear example of coordination and synergy. The PDNA was led by the Government with the joint support of the European Union (EU), the World Bank, the United Nations (UN) and the African Development Bank (AfDB). The PDNA was immediately followed by the definition of the Disaster Recovery Framework (DRF) with support of the same partners.

The Government set up the Cabinet for Reconstruction to provide strategic guidance and coordination to the national reconstruction and recovery efforts. The DRF was prepared under their leadership through intensive consultations with Government authorities and other development partners. The DRF is a safeguard for coordination as it is the common framework for the Government at all levels and across all line ministries as well as for international partners engaged in the country’s recovery and reconstruction.

The Netherlands has supported the Municipal Council of the City of Beira in the assessment of the damage, the preparation of a resilience and reconstruction plan. The efforts of the so-called ‘Beira taskforce’ resulted in the ‘Beira Municipal Recovery and Resilience Plan’. Other important contributors that cooperated to this plan are UN Habitat and SHELTER Program, as well as UNDP and the Reach/Impact Initiative. The damages, losses and needs in Beira

have been incorporated into the national Government's final PDNA document. EIB is currently preparing a EUR 100 million loan. Part of this loan could be available for supporting rehabilitation and reconstruction in Beira, following the plan mentioned above. This would contribute to a wider EU support to the recovery of Beira. Discussions on a possible blending operation with EIB mobilising EUR 10 million of the 'Sustainable Investments and Jobs' Programme are ongoing.

A Multi-Donor Trust Fund (MDTF) administrated by the UNDP has been set up to contribute in a coordinated way to Mozambique's rapid restoration of development pathways in a manner that builds resilience. Donors who confirmed their contribution to the MDTF are Canada, the Netherlands, Norway, Finland and the EU. Several others expressed their interest and might join later.

The process for identifying the *districts to be targeted* will entail negotiations with main stakeholders (local governments, EU, implementing partners) and will take into account the principles of: i) ensuring maximum coordination with multiple actors engaged in the same areas under different programmes; ii) programmatic 'convergence'<sup>12</sup> for building concrete synergies across the major components of the action – described in chapter 4; iii) appropriate response according to the specific agro-ecological and livelihood context.

In terms of priority needs of the 'early recovery response', ECHO funds allocated from the EDF reserve will be complementary to the interventions proposed under this action (medium/long term recovery), including: i) provision of food assistance and nutrition support to the most insecure populations; ii) lifesaving support; and iii) preparedness of vulnerable communities through emergency repositioning.

Finally, the action will be complementary and in complete synergy with 'PROMOVE', the comprehensive approach of the EU to rural development in Mozambique under the 11<sup>th</sup> EDF. PROMOVE includes support to rural roads, access to energy, sustainable agriculture and agribusiness, nutrition, sustainable management of natural resources, and trade facilitation, all of which are key to success in rural development. PROMOVE is geographically focused on Nampula and Zambezia. This last province also suffered the consequences of Cyclone Idai.

## **4. DESCRIPTION OF THE ACTION**

### **4.1. Overall objective, specific objectives and expected outputs**

The **overall objective** is to contribute to the social and economic recovery of the provinces affected by the Cyclones Idai and Kenneth. The five **specific objectives** for this action are the following:

- SO1. Restored, resilient and inclusive livelihoods and economic empowerment of the affected women.
- SO2. Restored and increased access to housing and community infrastructure by the affected population through their active engagement.
- SO 3. Increased sanitation coverage and improved public health and environmental conditions in the city of Beira.
- SO4. Improved nutritional and WASH status in targeted affected districts.

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<sup>12</sup> It is a lesson learnt from the final evaluation of the 'Accelerate Progress towards Millennium Development Goal 1.C – MDG 1.C Programme'. The main assumption of the programme is that to address in parallel the different dimensions of food and nutrition security through a "multi-sectoral/convergent" approach is relevant. There is evidence that this approach ensures a higher impact.

SO5. Policies and systems are put forward/developed by the Reconstruction Cabinet and other national and local actors for leading and coordinating the post-cyclone recovery implementation.

The action will apply a rights-based approach and abide by the ‘do no harm principle’ to avoid unintended negative impact in terms of human rights.

### **Main indicative expected outputs**

#### *Under outcome 1:*

- The skills, capacities and employment opportunities of the disaster-affected people are enhanced.
- Micro, small and medium enterprises, particularly women-led and other income generation initiatives receive capacity-building and have access to advisory services.
- Capacity of Government entities at local level is restored in a risk-informed fashion to ensure public service provision.

#### *Under outcome 2:*

- The most affected and people living in vulnerable situations located in rural and peri-urban areas have their houses rehabilitated and (re)constructed to BBB standards through the active involvement of affected population and local contractors.
- Key community infrastructure in affected areas rehabilitated to BBB standards to restore the provision of education, health and socio-economic services.
- Building codes and housing standards are updated with risk-informed and resilient construction techniques which are used to train local contractors, building inspectors and homeowners.

#### *Under outcome 3:*

- The sewer network is partly rehabilitated and expanded to new areas on the basis of the Beira Sanitation master plan and a feasibility study that fully integrates climate risks.
- The technical capacity of the wastewater treatment plant is strengthened by repairing damages caused by the Cyclone and some construction defaults.
- A Faecal Sludge Management programme for removal and treatment of the sludge stored in septic tanks and latrines is implemented jointly by Small and Medium-sized Enterprises (SMEs) operating in the sanitation sector and the Autonomous Service for Sanitation in Beira (SASB).
- The capacities of the SASB are reinforced and the system for tariff-based financing of operation and maintenance is improved.

#### *Under outcome 4:*

- Central, provincial and district capacity for planning, management and monitoring of nutrition and WASH services are strengthened.
- Integrated package of nutrition and WASH interventions are scaled up in targeted districts.
- Increased number of districts which are free from ‘open defecation’ and which adopted key healthy behaviours for improved nutrition.
- Adoption of key behaviours to improve nutritional status and awareness by the target group is increased, including the production of a media product with the purpose to tap into the power of the mass media to bring nutrition and WASH information to households and to sensitise on resilience and good nutritional behaviour.

*Under outcome 5:*

- Technical and operational capacities of the Government to coordinate, facilitate, implement, monitor and evaluate the reconstruction and recovery phase are enhanced.

**Main Indicative activities**

*Under outcome 1*

Needs assessments, skills training, financial and technical support to start-ups to encourage self-employment, cash for work, assistance to entrepreneurs, land clearing, distribution of inputs for planting to restart cultivating or continue activities, distribution of inputs for livestock/poultry/fisheries/bee keeping, capacity-building through vocational training, establishment of public-private partnerships (PPP), etc.

*Under outcome 2*

Restoration works on community infrastructure and government buildings, restoration of public services, reparation/reconstruction works of houses to BBB standards, on-the-job training through labour-intensive programmes for rehabilitation/reconstruction, provision of soft loans/vouchers to vulnerable families for reparation/reconstruction of their houses, revision of building codes and construction standards through workshops and seminars, training of building inspectors and private sector operators on revised building codes, training of community members to enhance resilience and respond better to disasters, etc.

*Under outcome 3*

Inspection and reparation works of (parts of) the existing sewer network in Beira with a focus on the trunk lines, construction works of new parts of the sewer network where possible, inspection and reparation works of sewer pumping stations, reparation of damages and construction defaults of the Waste Water Treatment Facility, training of SMEs to safely empty accumulated faecal sludge and transport it to a transfer centre/the treatment plant, reinforcement of PPP between SMEs and the Municipality, training and technical assistance for the SASB, reinforcement of revenue stream of SASB to ensure they can maintain the sewer network, etc.

All activities will be undertaken in close coordination with activities on coastal protection, drainage and water supply.

*Under outcome 4*

Interventions to reduce micronutrient deficits through routine health services (vitamin A, micronutrient powders to children 6 to 59 months, iron folate supplementation to pregnant women, and deworming tablets for children to reduce anemia); creation of new water points as well as rehabilitation of existing systems and WASH facilities in health posts; capacity development interventions addressed to key stakeholders in the WASH and health sectors (facility-based health workers, local administrators); Social and Behaviour Change Communication (SBCC) activities addressed to different delivery platforms (traditional and religious leaders, media etc.); production and broadcasting of a national multimedia package for the general public and support to existing transmedia initiatives (ex. radio-drama *Ouro Negro*<sup>13</sup>) to advocate for stunting reduction.

*Under outcome 5*

Training sessions/orientations of Government officials on national and local level on recovery planning, technical assistance to the Reconstruction Cabinet to enhance their coordination and

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<sup>13</sup> <https://ouronegro.org.mz/>

supervision skills, development of an integrated monitoring and evaluation system, set-up of a recovery aid tracking system, organisation of workshops and conferences, etc.

## 4.2 Intervention Logic

The intervention logic of the action is aligned to the Disaster Recovery Framework (DRF) dividing post-cyclone assistance in different phases. After the humanitarian response plan that includes life-saving and early recovery, the DRF will support recovery over the short, medium and long-term as follows:

**Short-term recovery:** A combination of early and short-term recovery as well as humanitarian assistance is needed during the remaining months of 2019 and into early 2020. Displaced populations continue to need support including improved shelter conditions for the approaching rainy season, as well as households that are food insecure. ECHO and IcSP will also be active actors during this first phase.

**Medium-term recovery:** interventions to be implemented to the following subsequent two years, approximately lasting up to three years. During this phase, based on the necessary planning and consultation processes, it will be possible to begin the physical reconstruction of infrastructure such as houses, community infrastructure and other damaged infrastructure.

**Long-term recovery:** the final phase of implementation process. This includes disaster risk reduction measures, for example through the better management of natural resources such as reforestation, the introduction of water harvesting techniques, of farming technologies and practices that are more sustainable (e.g. flood-resistant crop varieties), alternative livelihoods and income-generating activities.

The proposed risk reduction interventions are mainstreamed from the beginning throughout all activities proposed. **Three main intervention components** can be identified:

### *Component 1 - MDTF*

The majority of the funds of this action will be channeled through the multi-donor trust fund (MDTF) with the aim to bring development and Government partners together to collaboratively create, fund and integrate successful recovery solutions. It also confirms UNDP's mandate and involvement in disaster risk reduction and recovery.

Experiences in managing disasters show how recovery processes, if properly managed, can become an opportunity for long-term transformational change. To this end, UNDP's recovery strategy will be twofold: (1) to create the conditions to build back better and (2) to facilitate investments in resilience building in the affected areas while ensuring the inclusion and empowerment. With development as its core mandate, UNDP engages in recovery with the very purpose of putting countries back on the path of sustainable development and strengthening their resilience. To this end, early recovery interventions are a key step in this process and need to serve as an entry point for long-term engagement to address the fundamental drivers of vulnerabilities.

This strategy will be pursued at national, local and community level. To do this, UNDP has established a strong presence in Beira in the immediate aftermath of the disaster and Project Offices are being established both in Beira and in Cabo Delgado due to the long-term socio-economic impact of the disasters and the deteriorating security situation in the North. The teams on the field are providing technical assistance and supporting the implementation of recovery initiatives.

The MDTF focuses on three areas: (1) Livelihood and Women Economic Empowerment, (2) Housing and community infrastructure and (3) Institutional strengthening of the Reconstruction Cabinet. These three areas are translated into specific objectives 1, 2 and 5 of this action.

## ***Component 2 - Resilient sewage in city of Beira***

From 2007 until 2016, the European Union funded the cleaning and relining of the existing concrete pipes for one third of the existing sewer network. However, two thirds of the sewer network were not rehabilitated. As deficiencies in the sewage collection system are widespread, it is known that a significant amount of sewage overflows to the drainage system or percolates in the soil. Reaching the sea, the raw sewage may affect fishing and tourism, important economic activities in the municipality. The Cyclone Idai has also accelerated deterioration of the system and increased its deficiencies. Collapse of aged sewage pipes affects urban mobility as sewage pipes are lining along the main avenues of the city. Besides, inadequate and insufficient sewage system contributes to unhealthy environment, diseases/epidemic quickly widespread and overall considerable economy losses. Cyclone Idai also damaged a number of pump stations as well as the wastewater treatment plant. The latter was also built under the EU funded Beira Sanitation project. Damages from the cyclone further compromise the correct functioning of the plant which represents an investment exceeding EUR 20 million.

Finally, to enhance the well-being and sanitary conditions of the citizens of Beira, it is also important to implement a Faecal Sludge Management programme for removal and treatment of the sludge stored in septic tanks and latrines.

The investment required to complete the Beira sanitation plan exceeds EUR 45 million. The EU allocation under this action will address a substantial part of it. The EIB indicated its interest to complete the other part. A joint formulation mission will be undertaken.

This component corresponds to specific objective 3.

## ***Component 3 – Scale up the PROMOVE-Nutrição programme***

The ongoing ‘PROMOVE-Nutrição’ programme (decision FED/2016/38-044), in partnership with UNICEF, is currently implemented in the two provinces of Nampula and Zambézia. With this new action, it is intended to replicate the multi-sectorial approach successfully tested under the PROMOVE-Nutrição in other areas, extending its geographical coverage to targeted districts affected by the cyclones.

Within a multi-sectorial approach, nutrition and WASH interventions implemented under PROMOVE-Nutrição, have embedded a ‘capacity development component’ addressed to key stakeholders (facility-based health workers, local administration, traditional leaders, etc.) and a SBCC, using multiple communication channels and combining a variety of tools. The main objective of SBCC activities is to build local support at community level which can drive social change and create an enabling environment for collective and individual practices leading to better nutritional and WASH outcomes. In particular, the SBCC component will encourage social mobilisation at community and household level to engage key influencers and caretakers within their community, improving sanitation practices (i.e. becoming Open Defecation Free) and building on government-led ‘Model Family’ approach with a set of priority behaviours and practises for improved nutrition outcomes. A particular attention will also be given to multi-sectorial work towards a joint approach for building resilience.

After two years and an half of implementation, the PROMOVE-Nutrição already managed to establish a positive and recognised impact in terms of ‘nutrition governance’ at provincial level, with also positive outcomes at the level of targeted districts.

This component corresponds to specific objective 4.

### 4.3. Mainstreaming

**Gender:** Within those communities affected, Cyclone Idai has disproportionately impacted women and girls. This is linked to existing structural inequalities and intrinsic vulnerabilities. Also, the disaster has caused displacement and increased the already high burdens placed on women and girls who are responsible for care giving, providing food and water for the household and other unpaid chores.

This action will ensure throughout all its activities that recovery is used as an opportunity to empower women and to introduce gender equitable approaches, in line with the Beijing Declaration and Platform for Action goals.

Women and girls should have equal access as men and boys to benefit from training, employment and business opportunities. Their participation is particularly relevant and will be encouraged in skills development and decent jobs in the construction sectors and other related services under this action which are traditionally for men. Particular attention will be given to the gender equal pay and minimum social protection/benefits for mothers and children.

**Resilience:** The growing interest from various humanitarian and development partners to build more resilient communities in Mozambique has triggered focus on resilience sensitive programming. There is a need to provide more multi-year funding with the budget flexibility to provide for relief in development strategies and to better manage risks caused by cyclical shocks.

**Conflict sensitivity:** The cyclones arrived at a time when important events and processes were expected to unfold. These include the general elections to be held in October 2019, the country's decentralisation process which continues to make gradual progress as legislative, policy and administrative measures are put in place, the peace negotiations between the Government and RENAMO which culminated in the meantime in the signature of the Peace Agreement in August and the process of Disarmament and Reintegration (DDR). These processes are vital for the country's stability in general and, more particularly for the consolidation of peace and democracy.

All these processes will be monitored and supported by the EU through different EU projects being approved/implemented: Elections project, Peace support project, Decentralisation project, as well as the IcSP project financed on the B-envelope.

**Environment and climate change:** This action directly addresses climate change adaptation through the climate proofing of the rebuilt infrastructure, support to climate resilience to communities, and enhanced coping and organisational capacities at institutional level. The project will sensitise communities about the importance of natural resources management, in particular management of freshwater resources, protection of forests and communal woodland, veld fire management and climate change related issues (ecosystem based adaptation).

Particularly, under the MDTF, UNDP Mozambique will closely collaborate with the United Nations Capital Development Fund (UNCDF) on its Local Climate Adaptive Facility (LoCAL) initiative that aims to increase access to climate change adaptation financing through performance-based grants. UNDP and UNCDF will extend this initiative to the disaster affected districts on a priority basis to implement recovery initiatives on socio-economic infrastructure in partnership with local governments. Besides, rehabilitation and extension of the Beira sewage system should contribute to improve water quality on the Pungue river and the urban environment for the wellbeing of the population.

**Slow and rapid onset disasters:** Specific shock-sensitive solutions, such as **crisis modifiers**, will be defined under the implementation contracts, wherever considered feasible and

suitable. This will enable early action and rapid response to new humanitarian needs that could occur in the project areas during the implementation phase.

#### **4.4 Contribution to Sustainable Development Goals (SDGs)**

This intervention is relevant for the United Nations 2030 Agenda for Sustainable Development. It contributes primarily to the progressive achievement of SDG 1 End poverty, in particular to goal 1.5 ‘By 2030, build the resilience of the poor and those in vulnerable situations and reduce their exposure and vulnerability to climate-related extreme events and other economic, social and environmental shocks and disasters’ and SDG 13 Climate change, in particular 13.1 ‘Strengthen resilience and adaptive capacity to climate-related hazards and natural disasters’.

Other significant SDGs to which this action contributes are: SDG 2 ‘End hunger, achieve food security and improved nutrition and promote sustainable agriculture’, SDG 3 ‘Ensure healthy lives and promote wellbeing for all at all ages’, SDG 5 ‘Achieve gender equality and women’s empowerment’, SDG 6 ‘Ensure availability and sustainable management of water and sanitation for all’, SDG 9 ‘Build resilient infrastructure, promote inclusive and sustainable industrialisation and foster innovation’ and SDG 11 ‘Make cities and human settlements inclusive, safe, resilient and sustainable’.

### **5. IMPLEMENTATION**

#### **5.1. Financing agreement**

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

#### **5.2. Indicative implementation period**

The indicative operational implementation period of this action, during which the activities described in section 4 will be carried out and the corresponding contracts and agreements implemented, is 60 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 Decision and the relevant contracts and agreements.

#### **5.3. Implementation of the budget support component**

N/A

#### **5.4. 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 measures<sup>14</sup>.

Flexible procedures applicable in crisis situations, as defined in Article 2 (21) of the 2018 Financial Regulation and article 72 of the Cotonou Agreement were granted from 01/07/2019 to 30/06/2020 for all procurement and calls for proposals in four of the provinces affected: Sofala, Manica, Tete and Zambezia.

The extension or discontinuation of the indicated period will be reviewed in June 2020.

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<sup>14</sup> [www.sanctionsmap.eu](http://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.

#### ***5.4.1. Indirect management with an international organisation – United Nations Development Programme (UNDP)***

A part of this action may be implemented in indirect management with UNDP. This implementation entails all actions contributing to specific objective no 1 - Restored livelihoods and women economic empowerment for more resilient and inclusive economic recovery of the affected communities); specific objective no 2 - Rehabilitation and reconstruction to 'Building Back Better' standards of housing and community infrastructures in affected areas through the active engagement of communities); and specific objective no 5 - Strengthened capacities of the Reconstruction Cabinet as well as other national and local actors to develop policies and systems for leading and coordinating the post-cyclone recovery implementation.

The envisaged entity has been selected using the following criteria:

Recognising the need to harmonise and simplify procedures independently of the sources of financing, UNDP has set up a Multi-Donor Trust Fund (MDTF) to be administrated by the UNDP to contribute to Mozambique's rapid restoration of development pathways in a manner that builds resilience. This project is part of the effort of the donor community to ensure more coordination and synergy in the implementation of actions defined under the DRF.

The UNDP is the administrator because of its mandate and its sound, long-standing experience in coordinating donors. The UNDP has also accompanied the Government in the drafting of the PDNA and DRF processes and is a key partner for recovery and reconstruction. Moreover, the UNDP has the experience to manage multi-donor trust funds.

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 corresponding decision 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 the date of signature of the MDTF Project Document with the Government of Mozambique on 14 August 2019 because of the nature of the disaster and the emergency needed in the implementation of activities.

#### ***5.4.2. Indirect management with Rijksdienst voor Ondernemend Nederland (RVO), Member State organisation***

A part of this action may be implemented in indirect management with RVO. This implementation entails all actions contributing to specific objective no 3 - Increased sanitation coverage and improved public health and environmental conditions in the city of Beira.

The envisaged entity has been selected using the following criteria:

As experts in water management, the Netherlands has been intensively involved in the development of the port city of Beira for over ten years. They have an extensive knowledge of vulnerabilities and opportunities for the urban development of Beira as the Dutch cooperation financed the 'Master Plan 2035' developed with the help of private actors. After Cyclone Idai, a Dutch task force was set up to draft the 'Beira municipal recovery and resilience plan'. The RVO passed the pillar-assessment in 2018 and has therefore not yet acquired an extensive experience in managing EU funds but appropriate human resources are mobilised. The Netherlands is strongly represented in Mozambique with an Embassy and a representation for cooperation and private sector support. RVO has experience in Mozambique with large infrastructure projects such as the Maputo Water Supply. In addition, RVO intends to co-finance a drainage and coastal protection project in Beira through its DRIVE programme with a maximum total contribution of EUR 60 million.

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 corresponding decision needs to be justified.

#### **5.4.3. Indirect management with an international organisation – UNICEF**

A part of this action may be implemented in indirect management with UNICEF. This implementation entails all actions contributing to specific objective no 4 - Improved nutritional and WASH status in targeted affected districts.

The envisaged entity has been selected using the following criteria: UNICEF has achieved successful results in 'PROMOVE Nutrition' in targeted districts in the provinces of Nampula and Zambézia. The agency has the capacity to bring large experience in this field and can deploy in the field rapidly with dedicated staff to the nutrition and WASH sector to ensure proper follow up, close monitoring and successful implementation. During the post-cyclones emergency response, UNICEF scaled-up importantly its capacities in terms of technical staff. Considering the strict interlinkage existing between the short-term relief and long-term recovery efforts, a substantial part of these additional capacities will be maintained in-country in order to follow up on the recovery process. Overall, UNICEF has proven to have the required capacity, experience and network at local and central level in order to successfully implement this component of the action.

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 corresponding decision needs to be justified.

#### **5.5. Scope of geographical eligibility for procurement and grants**

The geographical eligibility in terms of place of establishment for participating in procurement and grant award procedures and in terms of origin of supplies purchased as established in the basic act and set out in the relevant contractual documents shall apply, subject to the following provisions.

- a) The Commission decides that natural and legal persons from the following countries having traditional economic, trade or geographical links with neighbouring partner countries shall be eligible for participating in procurement and grant award procedures: South-Africa. The supplies originating there shall also be eligible.
- b) The Commission's authorising officer responsible may extend the geographical eligibility on the basis of urgency or of unavailability of products and services in the markets of the countries concerned, or in other duly substantiated cases where the eligibility rules would make the realisation of this action impossible or exceedingly difficult.

As mentioned, Mozambique is benefitting from flexible procedures applicable in crisis situations. The present decision applies to all programmes implemented in the provinces of Sofala, Manica, Tete and Zambézia, where derogation from the rules of nationality and origin is also granted.

## 5.6. Indicative budget

|   | <b>EU contribution<br/>(in EUR)</b> | <b>Indicative third party<br/>contribution<br/>(in currency identified)</b>   |
|---|-------------------------------------|---|
| <b>Component 1</b>  | <b>34 300 000</b>                   | UNDP: USD 2 200 000<br>Canada: CAD 250 000<br>Netherlands: USD 3 000 000<br>Norway: USD 2 000 000<br>Finland: USD 3 000 000 (TBC) |
| <i>Indirect management with international organisation UNDP (5.4.1)</i>   | <i>34 300 000</i>                   |   |
| <b>Component 2</b>  | <b>19 600 000</b>                   |   |
| <i>Indirect management with MS organisation (5.4.2)</i>                   | <i>19 600 000</i>                   |   |
| <b>Component 3</b>  | <b>14 700 000</b>                   |   |
| <i>Indirect management with international organisation UNICEF (5.4.3)</i> | <i>14 700 000</i>                   |   |
| Evaluation (5.9), Audit (5.10) / Expenditure verification                 | 200 000                             |   |
| <b>Communication and visibility (5.11)</b>                                | <b>500 000</b>                      |   |
| <b>Contingencies</b>  | <b>700 000</b>                      |   |
| <b>Totals</b>   | <b>70 000 000</b>                   | <b>9 300 000 EUR</b>  |

## 5.7. Organisational set-up and responsibilities

Steering committee mechanisms will be outlined in detail in contractual modalities chosen for implementation.

*For the multi-donor trust fund:*

A Steering Committee (integrating at least the Government, UNDP and funding partners) will retain the overall authority to make decisions regarding the Facility. It provides strategic direction and prioritises funding needs, makes fund allocation decisions, and oversees overall implementation and impact of the Facility. The Steering Committee will convene tentatively quarterly meetings.

*For the Beira sewage component:*

A Steering Committee will be set up for this activity in which the EU, the implementing agency and the technical ministries will be duly represented as well as all municipal services involved in this activity. Steering committees will take place at least once a year. The Steering Committee will provide strategic guidance and supervise all activities.

*For PROMOVE-Nutrição:*

A Steering Committee, as established under the PROMOVE-Nutrição programme, will bring together government stakeholders, the implementing parties and the EU. Other stakeholders and donors may be invited in order to improve coordination and complementarity of

interventions, particularly when issues of delegated cooperation, silent partnership, co-financing, etc. are involved.

Steering Committees for the programme will be held in each key province (at least once per year) and will be linked to joint (Government-EU-UNICEF) monitoring visits in the field. The Governor or his delegate may chair the Steering Committee. The Steering Committee will provide strategic guidance and supervise all activities.

Finally, under the authority of the Ministry for Public Works, the Cabinet for Reconstruction, created by Decree after Cyclone Idoi, will have a global oversight on the planning, implementation, monitoring and evaluation of all recovery and reconstruction activities.

### **5.8. Performance and Results monitoring and reporting**

The day-to-day technical and financial monitoring of the implementation of the different components under this action will be a continuous process, and part of the implementing partner's responsibilities. To this aim, the implementing partners shall establish a permanent internal, technical and financial monitoring system for the actions 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 (for project modality).

Reports shall be laid out in such a way as to allow monitoring of the means envisaged and employed and of the budget details for the action. The final report, narrative and financial, will cover the entire period of the action implementation.

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).

### **5.9. Evaluation**

Having regard to the importance and nature of the action, mid-term and final evaluations will be carried out for this action or its components via each implementing partner.

The Commission may also, during implementation, decide to undertake such an evaluation for duly justified reasons either on its own decision or on the initiative of the partner.

Evaluation services may be contracted under a framework contract.

The evaluation reports shall be shared with the partner country and other key stakeholders. 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.

### **5.10. Audit**

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 audits or expenditure verification assignments for one or several contracts or agreements.

It is foreseen that audit services may be contracted under a framework contract.

### **5.11. Communication and visibility**

Communication and visibility of the EU is a legal obligation for all external actions funded by the EU.

This action shall contain communication and visibility measures which shall be based on a specific Communication and Visibility Plan of the Action, to be elaborated at the start of implementation.

In terms of legal obligations on communication and visibility, the measures shall be implemented by the Commission, the partner country, contractors, grant beneficiaries and/or entrusted entities. Appropriate contractual obligations shall be included in, respectively, the financing agreement, procurement and grant contracts, and delegation agreements.

The Communication and Visibility Requirements for European Union External Action (or any succeeding document) shall be used to establish the Communication and Visibility Plan of the Action and the appropriate contractual obligations.

In order to ensure optimal coherence and coordination, it is foreseen that visibility actions will be mainly implemented through the contracts managed under indirect management by international organisations and organisations of Member States. Based on lessons learned from other programmes, an amount is also foreseen for covering communication and visibility across this action, covering simultaneously its three components.

It is foreseen that a contract for communication and visibility may be contracted under a framework contract.

**APPENDIX - INDICATIVE LOGFRAME MATRIX**

|                                       | <b>Results chain:<br/>Main expected results</b>   | <b>Indicators</b>  | <b>Sources of data</b> | <b>Assumptions</b>  |
|---------------------------------------|---|--|------------------------|---|
| <b>Impact (Overall Objective)</b>     | To contribute to the social and economic recovery of the provinces affected by the Cyclones Idai and Kenneth.   | 1. % prevalence of chronic undernutrition in children under five in the affected areas, disaggregated by sex and location (**EU RF 1.03)<br>2. Level of incidence of waterborne diseases in the affected areas per 1000 of population disaggregated by sex and location<br>3. Average income of population in the affected areas.  |                        |   |
| <b>Outcomes (Specific Objectives)</b> | 1. Restored, resilient and inclusive livelihoods and economic empowerment of the affected women.<br>2. Restored and increased access to housing and community infrastructure by the affected population through their active engagement.<br>3. Increased sanitation coverage and improved public health and environmental conditions in the city of Beira.<br>4. Improved nutritional and WASH status in targeted affected districts.<br>5. Policies and systems are put forward/developed by the Reconstruction Cabinet and other national and local actors for leading and coordinating the post-cyclone recovery implementation. | I.1 % and number of supported livelihoods that continue activities after one year (N+1) disaggregated by women-led households and location<br>I.2.1 % of affected households with houses repaired/built to BBB standards disaggregated by women-led households and location<br>I.2.2 % of affected people (disaggregated by sex) with access to basic services (school and health facilities)<br>I.3. % of population with access to the sewage network and fecal sludge management in Beira.<br>I.4.1 % of population with sanitation coverage in the targeted districts (**EU RF 1.10).<br>I.4.2 % of households targeted by the action with an adequate diet.<br>I.5 Status of the national-level cross-sectoral recovery coordination mechanism. |                        | Political stability is maintained.<br><br>Relevant Ministries and agencies are cooperative and support the action.<br><br>Macro-economic situation is stable/improved |

|                |   |  |   |   |
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| <b>Outputs</b> | <p>1.1. The skills, capacities and employment opportunities of the disaster-affected people are enhanced.</p> <p>1.2. Micro, small and medium enterprises, particularly women-led and other income generation initiatives receive capacity-building and have access to advisory services.</p> <p>1.3. Capacity of Government entities at local level is restored in a risk-informed fashion to ensure public service provision.</p> <p>2.1. The most affected and people living in vulnerable situations located in rural and peri-urban areas have their houses rehabilitated and (re)constructed to BBB standards through the active involvement of affected population and local contractors.</p> <p>2.2. Key community infrastructure in affected areas rehabilitated to BBB standards to restore the provision of education, health and socio-economic services.</p> <p>2.3. Building codes and housing standards are updated with risk-informed and resilient construction techniques which are used to train local contractors, building inspectors and homeowners.</p> <p>3.1. The sewer network is partly rehabilitated and expanded to new areas on the basis of the Beira Sanitation master plan and a feasibility study that fully integrates climate risks.</p> <p>3.2. The technical capacity of the wastewater treatment plant is strengthened by repairing damages caused by the Cyclone and some construction defaults.</p> <p>3.3. A Faecal Sludge Management programme for removal and treatment of the sludge stored in septic tanks and latrines is implemented jointly by Small and Medium-Sized Enterprises (SMEs) operating in the sanitation sector and the Autonomous Service for Sanitation in Beira (SASB).</p> <p>3.4. The capacities of the SASB are reinforced and the system for tariff-based financing of operation and maintenance is improved.</p> | <p>I.1.1 Number of affected farmers (women and men) cooperatives/associations having received inputs for planting, disaggregated by sex and location (**EU RF 2.03)</p> <p>I.1.2 Number of affected households (headed by woman/men) restocked with livestock /poultry/fisheries/bee disaggregated by sex and location</p> <p>I.1.3 # trainings provided to government entities</p> <p>I.2.1 Number of houses rehabilitated or constructed to BBB standards</p> <p>I.2.2 Number/volume of community infrastructure in affected areas rehabilitated abiding with the BBB principle</p> <p>I.2.3 Building code reviewed and construction standard formulated (housing and community infrastructure) and public access ensured</p> <p>I3.1a # km of sewer network rehabilitated</p> <p>I3.1b # km of sewer network expanded</p> <p>I3.2 # of household connected to the improved sewer system (**EU RF 2.8)</p> <p>I3.3 # of households benefiting from the Faecal Sludge Management programme</p> <p>I3.4 Status of SASB capacity building and of the tariff system for operations / maintenance</p> | <p>Implementation reports</p> <p>Implementation reports</p> <p>Reports of Reconstruction Cabinet</p> <p>Building Code</p> <p>Implementation reports</p> <p>Reports of SASB</p> <p>Demographic and health survey</p> | <p>Other donors honour their engagements.</p> <p>Adequate level of participation and contribution from all concerned stakeholders</p> <p>Coordination of the different entities/authorities is ensured.</p> |
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| <b>Outputs</b> | <p>4.1. Central, provincial and district capacity for planning, management and monitoring of nutrition and WASH services are strengthened.</p> <p>4.2. Integrated package of nutrition and WASH interventions are scaled up in targeted districts.</p> <p>4.3. Increased number of districts which are free from "open defecation" and which adopted key healthy behaviours for improved nutrition</p> <p>4.4. Adoption of key behaviours to improve nutritional status and awareness by the target group is increased, including the production of a media product with the purpose to tap into the power of the mass media to bring nutrition and WASH information to households and to sensitise on resilience and good nutritional behaviour.</p> <p>5.1. Technical and operational capacities of the Government to coordinate, facilitate, implement, monitor and evaluate the reconstruction and recovery phase are enhanced.</p> | <p>I4.1 # of districts with integrated health, WASH and nutrition plans developed in the targeted districts</p> <p>I4.2 % in household coverage of drinking water supply in targeted districts (**EU RF 2.8)</p> <p>I4.3 % of people living in open defecation free certified communities in targeted districts</p> <p>I4.3. % of children under 6-23 months receiving an adequate diet (disaggregated by sex)</p> <p>I.5 Number of Government officials/staff that completed trainings/orientations on local level recovery planning and capacity development</p> | <p>Demographic and Health Survey</p> <p>SETSAN reports</p> <p>Food security assessment /Integrated Phase Classification (IPC)</p> <p>Implementation reports</p> <p>Implementation reports</p> |  |
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\* The expected results and all the indicators included in the logframe matrix are indicative and may be updated during the implementation of the action without an amendment to the financing decision.