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

**ANNEX**

of the Commission Decision on the financing of an individual measure in favour of the Republic of Mozambique

**Action Document for ‘Support to the consolidation of peace process in Mozambique: Support to Decentralisation’**

<b>1. Title/basic act/ CRIS number</b>	<b>Support to the consolidation of peace process in Mozambique: Support to Decentralisation</b> CRIS number: MZ/FED/042-445 Financed under the 11 <sup>th</sup> European Development Fund (EDF)	
<b>2. Zone benefiting from the action/location</b>	Republic of Mozambique The action shall be carried out at the following location: nationwide.	
<b>3. Programming document</b>	National Indicative Programme (NIP) for Mozambique 2014-2020 <sup>1</sup>	
<b>4. Sustainable Development Goals (SDGs)</b>	<u>Main SDGs:</u> <b>Goal 16:</b> Promote just, peaceful and inclusive societies; <b>Goal 5:</b> Achieve gender equality and empower all women and girls; <u>Other significant SDGs</u> <b>Goal 1:</b> End Poverty in all its forms everywhere; <b>Goal 10:</b> Reduce inequality within and among countries; <b>Goal 13:</b> Take urgent action to combat climate change and its impacts.	
<b>5. Sector of intervention/ thematic area</b>	Sector 1: Good Governance and Development	DEV. Assistance: YES <sup>2</sup>
<b>6. Amounts concerned</b>	Total estimated cost: EUR 16 368 000 Total amount of EDF contribution: EUR 15 000 000 This action is co-financed in joint co-financing by: - United Nations Development Programme (UNDP) for an indicative amount of USD 1 500 000 (EUR 1 368 000);	
<b>7. Aid modality and implementation modalities</b>	Project Modality <b>Direct management</b> through: - Grants <b>Indirect management</b> with the UNDP <b>Indirect management</b> with Deutsche Gesellschaft für Internationale Zusammenarbeit GmbH (GIZ)	

<sup>1</sup> Commission Decision C(2015)5996 of 28.8.2015 on the adoption of the National Indicative Programme between the European Union and Mozambique.

<sup>2</sup> Official Development Assistance is administered with the promotion of the economic development and welfare of developing countries as its main objective.

<b>8 a) DAC codes</b>	Main codes: 15112 – Decentralisation and support to subnational government; 15220 – Civilian peace-building, conflict prevention and resolution. Sub-codes: 15110 – Public sector policy and administrative management; 15150 – Democratic participation and civil society.			
<b>b) Main Delivery Channel</b>				
<b>9. Markers (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 type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
	Aid to environment	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input 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 checked="" type="checkbox"/>	<input type="checkbox"/>	<input 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 checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Climate change adaptation	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>10. Global Public Goods and Challenges (GPGC) thematic flagships</b>	n.a.			

## SUMMARY

The programme ‘Support to the consolidation of peace process in Mozambique: Support to Decentralisation’ has been formulated as one element of European Union’s strong commitment to support the consolidation of the ongoing peace process, through a comprehensive set of interventions: (1) support to livelihoods in conflict-affected areas (rehabilitation), adopted in 2019; (2) disarmament, demobilisation and reintegration (DDR); (3) reconciliation and (4) decentralised governance. The combination of these swift short and medium term interventions will contribute to longer-term peace-building.

Through three strategic objectives this action will strengthen the capacity of government and civil society to design, plan and implement inclusive and accountable decentralised democratic governance institutions and processes at provincial and district levels.

1. In the short-term it will strengthen the implementation of the revised legal mandates for decentralised governance institutions through the provision of demand-responsive short-term technical assistance (TA) to provincial and national authorities (***Strategic Objective 1***).

2. In the medium term, it will enhance a more effective and accountable management of public resources and services through a National Programme for Local Government Staff Training (***Strategic Objective 2***).

3. The action will also enhance enabling environment for civil society actors for gender responsive, an inclusive and accountable local governance through engagement of Mozambican civil society in a National Dialogue about Decentralisation and Local Governance and subsequent support for advocacy concerning related issues (***Strategic Objective 3***).

EU support to current decentralisation reforms represents a significant contribution to democratisation, the peace process and greater accountability in Mozambique’s rural areas. Because most other external assistance currently focuses on the already decentralised municipal cities and towns, the EU’s leading role in supporting broader decentralisation and democratisation in rural regions containing over two-thirds of the national population is significant in both political and developmental terms. At provincial level, newly elected decentralised Provincial Governments are charged to exercise their democratic mandates to achieve greater effectiveness, responsiveness, and accountability in local governance. Furthermore, along with elected Provincial Assemblies, in order to consolidate the peace process<sup>3</sup> they are expected to take steps to promote reconciliation and social cohesion after the controversial 2019 elections to engage members of opposition parties and of civil society through more inclusive participation and deliberative processes. In this sense, the action will profit from the results of the EU Electoral observation mission deployed in Mozambique in 2019 and its recommendations to improve the impartiality and transparency of elections at all administration levels. The planned introduction of district elections in 2024, will bring democracy closer to the rural majority. The action will invest in both local demand for good governance as well as in the capacity of the new district governments to more efficiently and accountably provide services to the rural population and economy, while paying attention to the rights and needs of women and groups living in vulnerable situations.

The action will contribute to broadening and consolidating the institutional foundations for more inclusive governance and more equitable social and economic development for the majority of Mozambicans who live far from the centres of power and resources. It is precisely these citizens

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<sup>3</sup> Decentralisation has been formalized as a pillar of the peace and reconciliation process in Mozambique. The Peace and National Reconciliation Accord resulted from direct negotiations for a new paradigm of decentralization in Mozambique (the current reforms on decentralization), where decentralized governance bodies have a key role in promoting reconciliation and social cohesion.

who have been most severely affected by political-military conflict that arises from perceived exclusion and marginalisation from the elite dominated governance centered at the national capital in Maputo. Effective, equitable and inclusive democratic decentralisation supported by this action provides a strategic avenue to address the grievances that underpin conflict in Mozambique.

This action will be implemented in a COVID-19 context and adapted as necessary for a successful completion.

## 1. CONTEXT ANALYSIS

### 1.1. Context Description

Decentralisation and local government reform in Mozambique are the result of a complex and contested process interrupted by episodes of violence leading to peace negotiations and compromise rather than based on deliberate and thoroughly analysed policy choices. Although the General Peace Agreement (GPA) of 1992 ended 16 years of conflict, the underlying causes of violence such as social, economic and political injustice and exclusion have never been fully resolved<sup>4</sup>. Despite formal democratisation, the escalation of political exclusion, strong central control over state institutions and major elements of the economy, and frequently contested election results opened the way for the re-emergence of violent conflict in 2013<sup>5</sup>. This ended a period of apparent peace when, in order to exert pressure for power-sharing and electoral reform, the main opposition party Renamo's former leader, Antonio Dhlakama, retreated to the former military headquarters in Gorongosa. This led to a protracted low-level conflict that included attacks on civilians and skirmishes, beginning in 2014. A new negotiation process was launched in March 2017, culminating in direct talks between President Filipe Nyusi and Alfonso Dhlakama. The talks covered long-standing grievances regarding political exclusion and electoral procedures and practices. The Government sought a definitive dissolution of Renamo's military capacity as a condition for political, administrative and fiscal autonomy at subnational levels. In August 2019, President Nyusi and Ossufo Momade, Renamo's new leader, signed a Peace and National Reconciliation Accord. The Constitutional Amendment of June 2018, directly resulting from these negotiations, promised far-reaching change to the scope and impact of the decentralisation process. In addition to the election of provincial governors in 2019 (and of District Administrators in 2024), it enshrined, for the first time, the principle of subsidiarity and the systematic devolution of defined functions to Mozambique's 10 provinces and from 2024 onwards to 154 districts. Nevertheless, the changes enshrined in Law 1/2018, maintained the organisational logic of a unitary state through empowering the President to nominate a 'Representative of the State' at both sub-national tiers of government who would function alongside the democratically elected local governments. In 2019 President Filipe Nyusi was re-elected and Frelimo gained 184 (73.6%) of the 250 parliamentary seats, of which 37.6% are held by women. At provincial level, Frelimo took control of all 10 Provincial Assemblies<sup>6</sup>, gaining over 80% of the assembly seats, and based on a 'head of the list' selection system, all 10 Provincial Governors<sup>7</sup>. This led to the integrity of the elections being called into question by

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<sup>4</sup> African Peer Review Mechanism (2010). Mozambique Country Review. Report no. 11. Midrand, South Africa; African Peer Review Mechanism (2019). Mozambique Second Review Report. February 2019.

<sup>5</sup> Weimer, Bernhard (2018). Vampires, jihadists and structural violence in Mozambique. Reflections on violent manifestation of local discontent and their implication for peacebuilding: An essay. March 2018. See also Orre, Alask and Rønning, Helge (2017). Mozambique: A political economy analysis. Oslo: Norwegian Institute of International Affairs.

<sup>6</sup> The "Urban Province" of the City of Maputo is treated differently in the decentralisation legislation. The State Representative in Maputo City shares governance with the Municipality of Maputo. For the purposes of this action, Maputo City will not be considered a Province, rather a Municipality.

<sup>7</sup> Provincial Governors are indirectly elected as the head of the electoral list of the party that won the majority of assembly seats.

some election observers, including the EU Election Observation Mission (EU EOM), who documented ‘irregularities’<sup>8</sup>. Nevertheless, the election results were validated by the Constitutional Council on 23 December 2019 and the newly elected Provincial deputies and Governors took office in January 2020.

The Constitutional amendment has been followed by an extended and rather controversial legislative process. Complementary legislation has been approved, including a bill on provincial fiscal arrangements. The legislation has been prepared under considerable time pressure and, consequently, inter-ministerial coordination and consultation with civil society was limited. A number of contradictions and overlaps have been noted by academic specialists and civil society regarding the functions of the Office of the Provincial Secretary of State and the Provincial Government<sup>9</sup>. Questions remain about the responsibility and mandate of elected Provincial Executive Bodies for management of social and economic infrastructure and services typically considered the remit of decentralised institutions. Accountability to the elected Provincial Assembly of local service managers appointed by the Secretary of State is also weakened by these administrative arrangements. Moreover, the resulting lack of clarity in roles and functions creates a confusing situation for citizens, Civil Society Organisations (CSOs) and the private sector, since it is not clear which authority is responsible for what decisions or services. Nearly 2 years after the Constitutional Amendment, the challenges of establishing a workable institutional arrangement for provincial governance remain evident. The 2019 EU EOM presented a number of recommendations to improve the management, transparency and impartiality of the electoral processes in Mozambique taking into account the challenges of decentralisation and focusing, among other areas, on clarifying laws on the subordinate hierarchy between the central and lower levels of election management, local administration capacity building, reliable voter registries in each province and improving the local election observation environment. The consolidation of democratically elected provincial governments will present technical and capacity challenges at all levels. Moreover, difficulties of implementing provincial decentralisation highlight the challenges of introducing similar reforms that will empower the 154 decentralised districts governments in 2025, generally agreed to be a bigger and more significant step in Mozambique’s decentralisation process.

More broadly, high levels of poverty and growing geographical inequalities, increasing rates of unemployment, high levels of population growth and persistent malnutrition and food insecurity will continue to threaten Mozambique’s long-term stability. In spite of Mozambique’s impressive economic growth up until 2015, human and socio-economic development indicators have progressed at a slow pace. Gross National Income (GNI) decreased from USD 620/capita in 2014, to USD 420/capita in 2017. Mozambique ranks 180<sup>th</sup> out of 189 countries in the 2019 Human Development Index (HDI). The female HDI is lower (0.422) than for male (0.468). There is also a widening economic gap across the country. Provinces in the centre and north have poverty rates nearly 40 points higher than the Province of Maputo, while in 2003 this gap was below 7%. There are concerns that the dividend from the current natural resources boom could emerge as an additional source of social tension. Recurring violence in Northern Cabo Delgado province associated with the rapid growth of extractive industries in a socially unstable environment, marked by high inequalities and widespread poverty, remains an additional cause for concern. The limited fiscal space and revenues, economic recession and postponement of critical investment decisions due to the impact of the COVID-19 pandemic are also important concerns to be considered in this fragile economic context. Thus the links among governance, economic development and potential conflict are highly salient in contemporary Mozambique.

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<sup>8</sup> See Report of the European Electoral Observation Mission to Mozambique published in December 2019.

<sup>9</sup> See de Salema, E. “As Relações Interorganicas no âmbito da Governação Descentralizada” [Canal de Moçambique](#) 12 and 19 February 2020.

With respect to gender equity, Mozambique has advanced significantly from a challenging starting point. Gender equality and the duty to promote, support and value the development of women in all spheres are recognised in the Constitution (articles 36 and 122). However despite the legal framework, challenges to the fulfillment of the rights of women and girls persist. Mozambique is ranked 142<sup>nd</sup> out of 159 countries in the United Nations Development Programme (UNDP) Gender Inequality Index (2018)<sup>10</sup>. Low levels of education, high maternal health risks, pressure to marry at a young age, limited economic prospects and access to economic assets, gender-based violence, and accepted cultural norms place women and girls at a high disadvantage. The illiteracy rate among women stands at 64% (34% for men) and is more pronounced in rural areas (up to 70%). Few girls finish primary school (46%), even fewer finish secondary school (22%), driving them into lower income activities compared to men. The majority of women are employed in unskilled and insecure jobs and in the informal economy. Women provide the bulk of the workforce in the agriculture sector (63%) but have less access to and control over productive resources. Only 13% of women own land titles. Although in recent years special measures have improved women's participation in the political sphere (43% of the members of the National Assembly are women), women are still mostly excluded from the peace building structures without having a balanced representation in the negotiation process or disarmament, demobilisation and reintegration (DDR) commission.

Regarding persons with disabilities, it is important to highlight that due to the 16-year civil war, landmines caused many victims, estimated at about 8 000 amputees. Poor health services meant that limbs injured in accidents were rather amputated than restored. The action, therefore, will also pay attention to persons with disabilities.

## 1.2. Policy Framework (Global, EU)

**Conflict Related Policies:** The proposed approach aligns with the EU's Integrated Approach to Conflict and Crisis of the EU Global Strategy<sup>11</sup> and the African Unions 'Agenda 2063, The Africa We Want'. The action proposes a multi-level intervention that engages all stakeholders involved in the conflict, or necessary for its resolution, and requires that citizens and civil society organisations play a key role in peace-building and social cohesion through the promotion of local ownership, inclusiveness, resilience and sustainability of supported actions, and by engaging with national and local authorities, communities and civil society. In this view, the action is extremely aligned with the 2012 Communication from the Commission on 'the roots of democracy and sustainable development: Europe's engagement with Civil Society in external relations'<sup>12</sup> that, among several aspects, recognises the civil society as a crucial component of any democratic system and is an asset in itself, and an important player in fostering pluralism, more effective policies, equitable and sustainable development and inclusive growth, and peace and in conflict resolution.

**Local Governance and Local Development:** The action is closely aligned with the strategic approach of the EU's 2013 Communication 'Empowering Local Authorities in Partner Countries for Enhanced Governance and More Effective Development Outcomes'<sup>13</sup> and the 2016 Tools and Methods Series 'Supporting Decentralisation, Local Governance and Local Development Through a Territorial Approach'<sup>14</sup>. Decentralisation is seen as a political process of empowering citizens through empowering their local authorities to play a more proactive and catalytic role in promoting local/territorial development, allowing a direct connection between decentralisation and development. The territorial approach to local development advocates for (i) support to local

<sup>10</sup> <http://hdr.undp.org/en/content/table-5-gender-inequality-index-gii>.

<sup>11</sup> January, 2018- Council Conclusions on the Integrated Approach to External Conflicts and Crises.

<sup>12</sup> COM (2012) 492 final of 12.9.2012.

<sup>13</sup> COM (2013) 280 final of 15.5.2013.

<sup>14</sup> <https://op.europa.eu/en/publication-detail/-/publication/030cde3f-c109-11e6-a6db-01aa75ed71a1>.

development management systems, (ii) support to institutional capacities at sub-national level, and (iii) support to national policies and frameworks. The action also takes into account the African Charter on the Values and Principles of Decentralisation, Local Governance and Local Development (June 2014), which reaffirms the African Union's commitment to deepening participatory democracy, and citizen and community empowerment to promote accountability and transparency in public institutions. The charter establishes a set of principles that should underpin the approach to decentralisation, local governance and local development in Africa.

**Human Rights, Gender and Empowerment:** The proposed action will consolidate the implementation of the European Council's 2015 Action Plan for Human Rights and Democracy<sup>15</sup> which supports key articles of the Universal Declaration of Human Rights<sup>16</sup> and will start implementing the new Joint Communication on the EU Action Plan on Human Rights and Democracy for 2020-2024<sup>17</sup> that aims at fostering faster and more efficient decision-making on human rights and democracy. The proposed action is in line with the SDG 5 and will also contribute to the EU Framework for 'Gender Equality and Women's Empowerment: Transforming the Lives of Girls and Women through EU External Relations 2016-2020'<sup>18</sup> which identifies three pivotal areas for transforming the lives of women and girls: (i) Ensuring girls' and women's physical and psychological integrity; (ii) promotion of the social and economic rights of girls and women through improving their access to education at all levels; (iii) strengthening girls' and women's voice and participation through increasing women's participation in electoral processes and decision-making processes. The African Union Strategy for Gender Equality & Women's Empowerment (2018-2028) promotes Aspiration 6 of the AU's Agenda 2063 'An Africa where development is people driven, relying upon the potential offered by people, especially its women and youth and caring for children' with the objective of 'full gender equality in all spheres of life'. The strategy promotes: (i) equal access to quality education and control over productive resources; (ii) sexual and reproductive health & reproductive rights to combat violence against women; (iii) a rights-based approach to development that guarantees women's choice in all key areas; and (iv) women's voice equal representation in all areas of decision-making.

**Environment and Climate Change:** Mozambique is the third African country most exposed to multiple weather-related hazards. Drought occurs primarily in the southern region, with a frequency of seven droughts for every 10 years. Floods occur every 2 to 3 years, with higher levels of risk in the central and southern regions. Climate change is likely to worsen current climate variability, leading to more intense droughts, unpredictable rains, floods and uncontrolled fires<sup>19</sup>. The action will promote climate-smart policy at local level and the introduction of climate-proofing to local development plans in line with the 2030 Agenda for Sustainable Development and the Nationally Determined Contribution (2015) prepared for the Paris Agreement on Climate Change. The action will support an evaluation of the impact of climate change on the welfare of women, children and other vulnerable groups and the development of plans and strategies at local level to mitigate these impacts and promote the sustainable use of natural resources.

**Mozambique National Indicative Programme (NIP):** The EU 2014-2020 NIP for Mozambique identifies two focus sectors: Good Governance and Development and Rural Development. Under the Good Governance and Development component, the EU provides overall support to national public policy and its priorities and complementary measures to

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<sup>15</sup> JOIN(2015) 16 final, Brussels, 28.4.2015.

<sup>16</sup> UN General Assembly. (1948). Universal declaration of human rights (217 [III] A). Paris.

<sup>17</sup> Joint communication to the European Parliament and the Council EU Action Plan on Human Rights and Democracy 2020-2024, JOIN/2020/5 final.

<sup>18</sup> SWD(2015) 182 final of 21.9.2015.

<sup>19</sup> Global Facility for Disaster Reduction and Recovery GFDRR, Mozambique country overview 2020.

strengthen core government systems and promotes a conducive environment for political and economic governance. The EU programme strengthens institutions that promote effective participation in policy and planning and strengthen checks and balances, as well as creating a more vocal demand for transparency, good governance and respect for human rights, with a view to enhancing democratic accountability. The programme will be informed by the results of the EU Electoral observation mission deployed in Mozambique in 2019 and its recommendations to improve governance of the electoral processes at all administration levels and to work towards more transparency, impartiality and inclusiveness in the processes. Proposed areas of work are 1) increasing the responsibility of state institutions to ensure the credibility of the electoral process, 2) improving the impartiality of state institutions such as the police forces, 3) controlling the misuse of state resources for political campaign purposes; 4) improving the voter registration process, 5) ensuring the respect for fundamental freedoms and equal opportunities of contestants during the campaign and 6) promoting more independent public media.

The rural development component adopts a two-pronged approach by supporting inclusive growth and poverty reduction in rural areas.

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

**Decentralisation policy in Mozambique:** decentralisation has long been a contentious issue in Mozambican politics. Change has been incremental and pragmatic with the Government tending to adopt a ‘safety-first’ approach in which, in the name of preserving national unity, it has managed to maintain control. The later rescinded Municipal Law approved in 1994 provided for the municipalisation of all 128 rural districts and 23 urban districts<sup>20</sup>. However, the results of the first multiparty elections in 1994, which Frelimo narrowly won, led to a hasty policy shift in favour of a more limited model enabled by a 1996 Constitutional amendment. A ‘gradualist’ approach to urban-focused decentralisation was adopted which introduced elected municipal councils only in cities and towns. The legal framework for decentralised municipal government (Law 2/97), gave municipal authorities some degree of administrative, fiscal and asset autonomy, and provided for the election of municipal assemblies and mayors. But Renamo boycotted municipal legislation in Parliament in 1998 on the grounds that it maintained a disproportionate level of power and resources at central level, as well as boycotting the first municipal elections held in 1998. Indeed, of the five municipal elections that have taken place to date, the opposition has only participated in three. Governance in the few municipalities of the central and northern regions controlled by the opposition has often been challenging due to central government actions as well as by delays in fiscal transfers<sup>21</sup>. In line with the Government’s gradual approach, another 10 municipalities were created prior to the 2008 municipal elections and further 10 in 2013 bringing the total number of municipalities up to 53, representing approximately 35% of the national population. In parallel with the introduction of elected municipal authorities in cities and towns, in rural districts a participatory methodology for local planning and public finance management was developed. This approach led to 2003 Law for Local State Bodies which legally recognised district development plans and participatory mechanisms and made districts budgetary units that may receive fiscal transfers for recurrent expenditure and investment. Provincial Governors and District Administrators remained nominated by, and subordinate to, central government. Thus, in practice, the system of deconcentrated governance strengthened central government’s hold over rural areas, their

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<sup>20</sup> do Rosário, Domingos M. (2015). “Os municípios dos “outros”. Alternância do poder local em Moçambique? O caso de Angoche”. *Caderno.s de Estudos Africanos* (Online), 30/2015. Pp. 135-165. Retrieved from: <https://journals.openedition.org/cea/1856>.

<sup>21</sup> See Weimer, B, Ed. (2012), *Moçambique: Descentralizar o Centralismo: Economia Política, Recursos, Resultados* Maputo: Instituto de Estudos Sociais e Económicos (IESE).

resources and their electorate. Despite these modest reforms and commitments to citizen participation in local governance, the Mozambique Government has not yet promulgated a long-term vision and policy for democratic decentralisation with an associated redistribution of fiscal resources. In 2012 a Decentralisation Policy and Strategy (PED) was approved which framed decentralisation as strengthening consultation of citizens in relation to decision-making regarding service delivery. The PED was followed by a National Plan for Decentralisation in 2015 which focused on strengthening local government capacity but did not provide a road map leading to decentralised governance. More recently, the Ministry of State Administration and Public Service (MAEFP) has stated its intention to define a National Decentralisation Programme (PND) as a basis for organising institutional reform processes and capacity building investments at subnational levels. Although a background document was prepared in 2019 to launch this process, no consultations specifically related to the PND have yet begun. Despite the fundamental changes in the national governance framework already produced by the Peace Negotiations and subsequent Constitutional Amendments, no PND document that will place the current arrangements in a policy, strategic and technical context is expected to be concluded before the end of 2020.

**Gender development policy in Mozambique:** Since becoming signatory of the Convention on the Elimination of all forms of Discrimination against Women (CEDAW) in 1993, Mozambique has made noteworthy advances towards gender equality, women and girls' rights and empowerment in the legal, institutional, policy and programmatic spheres, including their recognition in the Constitution (articles 36 and 122). Since 2004, the legal framework is supported by an institutional structure composed of the Ministry of Gender and Social Action and the National Council on the Advancement of Women, both with representations at the provincial and district levels. The 2005 Family law removed formal discriminatory regulations and the 2009 Domestic violence law made violence against women a criminal offense rather than a civil matter. Both laws were passed thanks to very active campaigning from local women's groups. The country has a national gender strategy (revised in September 2018), a specific strategy for prevention of child marriage and a gender country profile which indicated priorities, coordination and monitoring mechanisms towards improving gender equality. This analysis has informed the action. Since 2018, the Government has reinforced its commitment to gender equality by approving key policies and laws for the prevention of gender based violence (2018); early marriage (July 2019), and reviewing the family law in July 2019 to make the legal age of marriage 18 (previously 16) and revoking Decree 39/2003 which discriminated pregnant girls by making it mandatory for them to be transferred to night courses in schools (December 2018), and finally the new inheritance law (July 2019). An updated Gender Policy and Implementation Strategy were published in August 2018. At regional level, the action will contribute to reinforce the obligations of Mozambique under the African Charter on Human and Peoples' Rights, art. 23.1 on the right to national and international peace and security, and to the Maputo Protocol (the Protocol to the African Charter on Human and Peoples' Rights on the Rights of Women in Africa).

Mozambique has also developed the National Action Plan on Disability, covering the period 2012–2019 to protect the rights of people with disability. Therefore, the action will contribute to the objectives of this plan, by making sure capacities of people with disability will be reinforced by the programme.

#### **1.4. Stakeholder analysis**

**Central Government Ministries, the main duty-bearer:** the central government defines decentralisation policy and exercises determinant control over its implementation. Government ministries exert power over subnational governments through sector policies and programmes, key personnel appointments, and both formal and informal hierarchies. Two ministries play dominant roles in (re)defining the configuration of subnational governance structure through

decentralisation policy design and implementation management: the Ministry of State Administration and Public Service (MAEFP), and the Ministry of Economy and Finance (MEF). MAEFP is responsible for the political and strategic coordination of the decentralisation process including the elaboration of enabling legislation, and the supervision of subnational government institutions. MAEFP is also responsible for human resource management within the public administration including the professional training system for public servants through regional training schools (known as IFAPAs). Key MAEFP National Directorates for decentralisation include: National Directorate of Local Administration: Direção Nacional da Administração Local (DNAL) which regulates deconcentrated territorial administration (provinces and districts) and more recently the broader decentralisation process including the new elected provincial governance bodies; Municipal Development (DNDA) for oversight of municipal governments in cities and towns. The development of systems for professional training including the management of public servants falls within the role of the National Directorate of Strategic Human Resource Management (DNGERH), which is responsible for regulating the civil service. The institutional capacity of MAEFP to implement decentralisation reforms and the development of coherent and effective training programmes is relatively weak due to lack of resources and the loss of technical competencies. Nevertheless, the role of MAEFP as the key duty bearer in the promotion of decentralised reforms to support peace building initiatives provides strong opportunities for the implementation of the action. MAEFP is a primary beneficiary of the action which will provide technical support for the implementation of the policy and legislative framework and will develop a comprehensive framework for professional training of local government staff. The Ministry for Economy and Finance (MEF) plays the key role in defining fiscal arrangements, budgetary and planning systems and methodologies and in designing and coordinating the overall development framework within which decentralised governments will operate. Effective coordination and articulation between MEF with MAEFP is essential for the success of the decentralisation process. Although MEF has established technical capacity, it is often overstretched. The new configuration of decentralised governance poses challenges to existing models for planning and budgeting that will need to be realigned and consolidated. The action will contribute to this capacity through technical assistance to the National Directorate of Planning and Budget (DNPO). Cooperation with the Ministry of Gender, Child and Social Action of Mozambique (MGCAS), will facilitate alignment with gender related strategic approaches and activities.

**Parliament and Political Parties:** the political arena is dominated by the two main parties Frelimo and Renamo with 184 and 60 seats in the Parliament. A third, the Democratic Movement of Mozambique (MDM), lost 11 seats in the 2019 general election and currently has only 6 MPs. From the 250 statutory number of members in the Parliament 41.2% are women.<sup>22</sup> Political parties are responsible for reviewing and approving legislation and for overseeing government activity. Political parties are relatively closed to non-elite citizen and civil society influence; although at local levels they are more accessible. Since the introduction of multiparty democracy in 1994 Frelimo has commanded a majority in parliament and the capacity of opposition parties and parliamentary commissions to effectively hold the executive to account is weak. Among elected decentralised Municipal Councils, opposition parties have found political space for leadership in local governance, typically heading between 10%-20% of municipalities during each mandate. Parliament and Provincial Assemblies provide the space for political dialogue and potentially for bargaining in relation to contentious issues like decentralisation (see infra SO3). However, majoritarian dominance tends to be the general rule. Nevertheless, parliament and the political parties are important duty bearers and will benefit from the national dialogue on decentralisation and local governance that the action proposes, in order to articulate

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<sup>22</sup> [https://data.ipu.org/content/mozambique?chamber\\_id=13469](https://data.ipu.org/content/mozambique?chamber_id=13469).

the interests and expectations of civil society in relation to future reforms and the introduction of decentralised district government.

**Decentralised Provincial Governments:** the newly created Provincial Governments are both rights bearers and duty bearers insofar as they reflect citizen preferences at subnational level. They are a key beneficiary of the action. Despite the fragmented distribution of functions at provincial level, elected Provincial Governments have an important representative role and are seen as potential agents for more responsive, inclusive governance. The possible transfer of staff and resources to the deconcentrated provincial bodies (Secretaries of State and associated Services) will have a significant impact on the already limited technical and managerial capacity of the Provincial Governments. The action will play a significant role in strengthening technical capacity, providing technical assistance aimed to improve responsiveness, accountability, transparency and service delivery and the necessary measures to address specific needs of women and men to provide for these services.

**Provincial Secretaries of State:** although important duty bearers, in relation to the safeguarding of issues of national and sovereign interest at local level, the Provincial Secretary of State will indirectly benefit from the action as a recognised stakeholder in the decentralisation process. They are likely to be endowed with significant budgetary and administrative authority, while characterised by a strong responsiveness and accountability to the central government and less to local interests.

**Provincial/Regional Elites:** as decentralisation progresses, opportunities for local and regional elites to pursue their interests through subnational governance institutions increasingly emerge. In the public sector, political appointees and senior civil servants are able to act on behalf of powerful local interests. Powerful local economic actors can develop and influence networks through which they can pursue their interests. The political economy of Mozambique's politics and the formal and informal rules both play a significant role. Depending on the interests in play and the nature of policies under consideration, demand for change may largely be influenced by informal networks comprised by these multiple elites; civil society opinion leaders, powerful economic actors, and religious leaders often engage informally with members of the ruling elite groups. The action will bring these diverse elite interest groups together in the context of the National Dialogue, while paying attention to inclusiveness and gender balanced representations. The challenge for civil society leadership is how they can effectively promote open, inclusive dialogue over decentralisation without generating resistance by the governing elite.

**Electoral Management Bodies:** as the country is moving towards a new dimension of the peace process, these bodies will be entrusted with the responsibility to carry out electoral processes with transparency, impartiality and inclusiveness. The National Elections Commission (CNE), an independent body subordinated only to Constitutional Council, holds the overall supervisory responsibility for the conduct of the voters registration and the electoral process. The involvement of the CNE and its technical arm (the STAE - Technical Secretariat for Election Administration, responsible for the implementation of all technical and administrative aspects of the election process) at central and local levels especially in the National Dialogue will facilitate public information and clarify the electoral processes at all administration levels and ensure public trust to national electoral management bodies.

**Traditional leaders and community-based religious and cultural leaders:** traditional leaders in Mozambique are integrated within the official legal concept of community authorities, which includes neighbourhood chiefs as well as neighbourhood secretaries. Traditional authorities tend to be hereditary leaders of specific groups or communities, and thus they can exert power and influence over those constituencies. Traditional leaders are seen as legitimate in most regions and often represent community interests. They play important roles in building consensus, collective decision-making, local conflict resolution, and social cohesion as well as in the allocation of community resources (including access to land and natural resources). They are both duty bearers for their communities and right holders in relation to the central or provincial

governments. Local religious organisations, and their leaders, are also important stakeholders given their capacity to mobilise participation and influence preferences among the community members. Traditional and religious leaders play an important role in articulating community demands and in mediating between community-based governance and formal government authority. Both can play important roles in the National Dialogue process that will be supported by the action.

**Citizens considered as rights-holders and communities:** engage with public authorities through consultation and/or mobilisation relations. Fundamental legislation on local governance that contemplates a role for communities includes the Constitution as well as land, mining and petroleum legislation. These legal instruments recognise and establish a State obligation to local communities as the primary stakeholders in local development. The implementation of investment initiatives that affect local communities are required to take citizen and community needs and priorities into consideration. Under the decentralisation programme, participatory governance mechanisms is considered a pre-requisite for effective and successful governance, to empower and legitimate citizenship, to strengthen democratic mechanisms, and to consolidate the accountability of local leadership to community interests.

Civil Society Organisations (CSOs), including Non-Governmental Organisations (NGOs), play a valuable role in relation to citizen and community participation, collective action for self-help and advocacy, and accountability for the provision of basic services. CSOs in Mozambique operate at both a national and local levels and have significantly grown in number since the introduction of multi-party democracy. They play a key role in advocacy in relation to development priorities, policy, and public sector performance through research, evidence-based monitoring, and communication. Religious organisations have played a prominent role in the Peace Process. CSOs report that the situation for civil society in Mozambique has, in general, been deteriorating and their ‘operational space’ has been reduced<sup>23</sup>, especially with regard to freedom of expression and the physical security of human rights activists, journalists and academics. In recent years CSOs have strengthened their involvement in democratic governance including decentralisation through policy advocacy and promotion of civic education, often employing collective platforms at central, provincial, and district levels. However, CSOs often lack the knowledge and technical capacity to effectively engage with the Government and are generally poorly resourced, particularly at local levels. The action will address these challenges through engaging CSOs as leaders in the national dialogue process taking into account the long-term priorities defined in the Mozambique EU & Partners' country roadmap for engagement with civil society 2016-2019 and its updates. In particular CSO engagement will ensure that the voices of women, youth, and disadvantaged and vulnerable groups are heard and can influence the emerging decentralisation framework for district governance.

The **National Association of Municipalities in Mozambique (ANAMM)**: represents the interests and rights of municipal authorities and provides support through studies, training, exchanges of experiences and technical assistance, including for drafting legislation. The role of ANAMM is positively recognised by the municipalities, the MAEFP and development partners as a legitimate, albeit technically and organisationally weak, advocate for decentralisation and local governance. The action could provide some short-term technical assistance to ANAMM, which is expected to make an important contribution to the National Dialogue on decentralisation which it could use to advocate for the consolidation of the role of municipalities in the new context of decentralisation.

**International Development Partners (DPs)**: have played an instrumental role in Mozambique for the last 30 years through influencing the national development agenda, policies and

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<sup>23</sup> Civicus.org (2016), “Mozambique NGOs battle for free civic space”, 30 November 2016 [www.civicus.org/index.php/media-resources/news/interviews/2661-mozambique-ngos-battle-for-free-civic-space](http://www.civicus.org/index.php/media-resources/news/interviews/2661-mozambique-ngos-battle-for-free-civic-space).

programmes; providing resources and technical support for their implementation through infrastructure financing, public service provision and institutional reform/capacity strengthening. Although DP interests vary, they generally converge over peace building and the strengthening and consolidation of democratic and participatory governance. To date, decentralisation programmes in Mozambique, including those managed and implemented by Government, have generally been supported and largely financed by DPs. A long-established Decentralisation Working Group provides a forum for permanent dialogue among DPs and between them and the Government. Nevertheless, more effective coordination among DPs, through greater information sharing, and the development of complementary interventions, remains an important challenge. This action adopts an approach that takes into consideration the accumulated experience of DP support to decentralisation and local capacity building to reinforce a more coordinated approach and create opportunities for joint interventions.

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

The Constitutional Amendment of 2018 introduced ‘decentralised provincial executive bodies’ headed by an elected Provincial Governor and an Executive Council comprised of appointed Provincial Directors heading sectoral departments. The role of elected Provincial Assemblies, which have existed since 2010, was also strengthened in terms of greater authority over provincial planning, budgeting and service delivery as well as oversight of the Provincial Executive. Provincial Assemblies, and for the first time, Provincial Governors, were elected in October 2019. Of the ten Provincial Governors only three are women. The new Constitution further specifies that in 2024 elections will be extended to include the country’s 154 districts<sup>24</sup> with associated increases in political authority and autonomy. Although the constitutional amendments were approved in 2018, followed by associated laws and regulations, and the newly elected provincial representatives took office in January 2020, the legal framework remains incomplete. In addition to establishing elected provincial governments, the new Constitution provided for the creation of ‘Provincial Secretaries of State’, appointed by the President of the Republic, and an associated ‘Council of Services Representing the State.’ Six of the ten Secretaries of State are women. Emerging legislation has sought to clarify the role and functions of these deconcentrated bodies; after three months in office, neither the decentralised nor the deconcentrated executive structures have been fully established. Neither clear budget allocations nor human resource capacities have been assigned to each body to enable their effective functioning. Widespread uncertainty is hampering full implementation of this new, complex decentralisation framework. The newly **established decentralised executive bodies** and provincial assemblies are required to rapidly adapt to their democratic mandates and adopt new approaches, processes, mechanisms and tools that will facilitate greater effectiveness, responsiveness, and accountability. Furthermore, citizens and civil society are also challenged by the complexity of the reforms and the ambiguity of their implications for the empowerment and accountability of newly elected executives and representatives. There is a risk that a short term lack of technical capacity and experience among both elected government representatives and local government staff, coupled with low levels of knowledge and engagement among citizens and civil society, especially in rural areas, will hamper the effective implementation this new phase of decentralised democratic governance in Mozambique. Specific attention will be needed to increase women’s meaningful participation and representation. Skills and capacities will be strengthened to empower women (politically) and to enable them to effectively address the needs and rights of women and men, in particular groups living in vulnerable situations.

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<sup>24</sup> In addition to the districts, at the local level cities and towns since 1998 have been governed by Municipal Councils with elected Presidents and Assemblies. The municipal local governments (*autarquias*) have limited fiscal capacity and functional responsibilities, mainly centered around basic urban infrastructure and environmental management.

There are also longer-term structural **human resource capacity constraints** in government at sub-national level. A key prerequisite for effective decentralisation is competent local government staff. Public administration staff at sub-national level tend to be underqualified, with few trained for the specific functions and responsibilities they discharge and no comprehensive framework for human resource development exists for local government staff. Others may have participated in courses that focus on the legal framework, rules and regulations, but don't develop the specific skills, practical knowledge, and normative values required to perform their workplace roles. In sub-national democratic governments at all levels (provincial, district and municipal) public administration staff will need to understand and promote democratic values, ethical behaviour, respect for human rights, gender equality and broadly inclusive, equitable public service delivery and local development. Furthermore, they will be expected to take steps to promote reconciliation and social cohesion which will require the development of a consensual framework for inclusive participation, including by members of opposition parties. The existing weak and fragmented **public administrative training system** does not have the capacity or institutional framework to address these training requirements. Moreover, the public administration training system needs to create greater opportunities for women to not only enter public service, particularly at local level, but to gain sufficient knowledge, skills and experience for promotion into decision making and managerial positions and to compete for elected office. Attention should also be given to employment opportunities of persons with disabilities. Current difficulties in implementing provincial decentralisation arrangements have highlighted the potential challenges that will arise from the introduction of similar **political, institutional, and fiscal reforms in the 154 districts planned for 2024-5**. District Governments are more numerous and their technical and managerial capacities tend to be much lower than those of the Provincial Governments. Moreover, their effectiveness is hampered by poor administrative infrastructure and often remote locations. Ideally, capacity-building measures would already be in place to support the creation of decentralised district governments. There are relevant lessons to be learned from the introduction of the new institutional architecture for provincial governance. The legislative and regulatory framework for district government and the distribution of functions and human and financial resources needs to be defined in a timely, methodical and coherent way. Given their basic service delivery responsibilities and the proximity of district government to citizens, impending local governance reforms should be subject to a process of consultation with affected citizens and communities. The haste with which the framework for provincial government has been defined has been criticised for its centralised approach and lack of opportunity for civil society participation. The opportunity now exists for a more considered, participatory and inclusive approach to the next, and possibly more significant, phase of the decentralisation process.

## 2. RISKS AND ASSUMPTIONS

RISKS	RISK LEVEL (H/M/L)	MITIGATING MEASURES
Continuing lack of clarity on the roles and lack of impartiality of provincial governance institutions undermines the credibility of the decentralisation process and weakens commitment to effective democratic subnational governance.	M/H	Technical assistance (TA) supports provincial government officials to clarify their respective competencies and relationships and impartiality. Continuing demand from civil society for more responsive and accountable subnational governments and support for incremental institutional reforms helps maintain momentum for decentralisation.

RISKS	RISK LEVEL (H/M/L)	MITIGATING MEASURES
<p>Partisan political dynamics impedes additional decentralisation reforms that create opportunities for opposition parties to gain additional territorial bases for future political initiative. Planned 2024 district elections may be vulnerable.</p>	H	<p>Nationwide dialogue reinforces broad societal commitment to democratic governance and the decentralisation process irrespective of national political pressures. Increase emphasis on supporting the demand side of governance via civil society, local media, academics, etc. International community messaging regarding democratic processes and public accountability may play an important role.</p>
<p>Inconsistent government policies lead to increasingly complex, potentially redundant institutional arrangements at subnational level that weaken the effectiveness and thus the legitimacy of decentralised governance bodies. At the same time, Government continues to request international assistance for decentralisation.</p>	M/H	<p>Project provided TA emphasises the importance of a coordinated and coherent approach to subnational governance. Advocate for DP support to strengthen policy and technical leadership of the decentralisation process and coordination with Government. The decentralisation Working Group (DWG) meets more frequently to promote DP coordination and allow DPs to formulate common positions.</p>
<p>Fiscal constraints continue to limit the financial and service delivery capacity of decentralised local governments as well as national investments in local government (LG), staff training and institutional strengthening.</p>	M/H	<p>Externally funded TA and diplomacy supports reforms to intergovernmental fiscal system that increase discretionary resources available to decentralised governance bodies. Increased DP support for decentralising resource flows from international cooperation may further empower decentralised governance bodies to develop their capacities and improve their service delivery.</p>
<p>Dominant political actors at local level interfere in the impartial work of decentralised authorities and limit the opportunities for citizens to participate effectively in local governance and to benefit from public programmes.</p>	M	<p>TA and civil society strengthening to promote inclusive and participative governance. Dialogue process raises citizen awareness of the potential value and the mechanisms for decentralised governance. Training policy promotes social accountability in local development among LG staff. Support to CSOs promoting alternative means for accountability. Taking into account opposition political parties, in particular RENAMO (and its traditional strong position in central provinces) as a signatory of the Peace agreement.</p>

RISKS	RISK LEVEL (H/M/L)	MITIGATING MEASURES
Women, youth, people with disabilities, and other marginalised groups lack the knowledge, skills and resources to participate effectively in local governance processes.	M	Target women, youth, people with disabilities and other marginalised groups in awareness-raising and dialogue processes about the decentralisation process and the opportunities for civil society engagement in governance. Support inclusive and participative planning and governance and explicitly address the needs and priorities of women, youth, and marginalised groups.
Emergency/crisis response diverts the resources of Government, implementation agencies and development partners to meet urgent needs and limit their engagement with longer term institutional and governance reform processes.	M	Focus project activities on areas that do not detract from emergency response and recovery activities. Strengthen capacity of decentralised governance bodies to contribute to emergency preparedness and response so that they become an asset to resiliency and recovery.
<b>ASSUMPTIONS</b>		
<ul style="list-style-type: none"> <li>• Peace is maintained and physical security is sustained, including a conducive environment for CSOs to participate in different domains of democratic governance (CSO enabling environment).</li> <li>• Macro-economic and political stability allow gradual increases in public expenditure at local levels.</li> <li>• Government commitment to equitable and sustainable growth, social inclusion and the 2030 Agenda.</li> <li>• Government commitment to the decentralisation reforms envisaged in the 2018 constitutional amendment.</li> <li>• Government does not impede a broad-based dialogue on the future of decentralisation and takes the results into account in the formulation of policy and legislation.</li> <li>• Subnational government financing mechanisms are predictable, transparent and equitable enough to allow.</li> </ul>		

### 3. LESSONS LEARNT AND COMPLEMENTARITY

#### 3.1. Lessons learnt

The current and upcoming decentralisation reforms are a central tenet of the peace agreement and recognise the importance of inclusive, responsive and accountable local government for conflict resolution and social cohesion. Political discussion about the decentralisation reforms reflected in the Constitutional Amendment of 2018 was widely perceived as limited to high level members of the two main political parties, with few opportunities for dialogue with civil society or local constituencies. The current political and institutional challenges in the implementation of the constitutional changes at provincial level are seen as a consequence of this closed policy process. There are lessons to be learned from the hasty preparation of the legislative framework for the provincial governance architecture which was undertaken with limited consultation or analysis. In contrast, the European Union’s Electoral Observation Mission report recommended

that future electoral legislation be subject to wider public debate before being approved to ensure its consistency, constitutionality, and feasibility and that ongoing public engagement requires effective communication and the continuous dissemination of information to all stakeholders<sup>25</sup>. A similar case could be made for laws relating to decentralisation.

The capacities of universities, research institutions, and consultancy companies have rarely been used to address the technical capacity constraints in the Government and the legislature, where advice is often conditioned by political dynamics. The restricted involvement of local experts may have limited the strategic coherence and the technical consistency of the resulting legal and regulative framework for decentralisation. A perennial constraint on decentralised governance has been an endemic weakness in technical and managerial capacity, especially at the operational level of local government departments. Whilst development assistance has provided ad hoc training tailored to specific methodologies or to support achievement of predefined outcomes, few development agencies have invested in human resource development at the mid and lower level of the civil service which staff local governments. The contributions of multiple short-term, externally funded and implemented training programmes rarely contribute to sustainable local government staff development beyond the scope and duration of project support and, thus, have not addressed the structural competency gap in local administration.

Furthermore, the Government's fragmented approach to staff training has delayed a comprehensive and sustainable solution to the long-term challenge of improving staff competencies in the districts. The three Government Training Institutes (IFAPAs) focusing on local government staff do not operate under a clear and consistent policy framework or follow a common curriculum. Training courses are not integrated into a career-linked skill development programme that provides adequate job-related skills, knowledge and normative guidance to develop a professional cadre of local government staff. The World Bank funded Municipal Development Project used the IFAPA-Maputo as vehicle for training the staff of seven municipalities in planning, procurement and management of public works, but these courses were never institutionalised into a permanent curricula. Likewise, the widely recognised multi-donor funded National Decentralised Planning and Finance Programme, which trained over 27 000 local administration course participants<sup>26</sup> via ad hoc training arrangements (as well as over 38 000 community participants) between 2010 and 2014, worked with IFAPA trainers but did not institutionalise its courses. GIZ has worked with the IFAPA-Beira since 2015 to train municipal staff in the public investment and Public Financial Management (PFM) cycles as well as associated financial governance issues. Since 2019, GIZ has been working with MAEFP to institutionalise these courses by supporting development of similar training capacities at the IFAPAs in Maputo and Lichinga, as well as beginning to invest in the institutional capacity of the IFAPAs themselves. However, at present there is no broader and more systemic support to the Government training system in which the IFAPAs are the principle venues for training delivery.

Uncertainty concerning the political and institutional sustainability of the current model of decentralisation is increasingly undermining confidence and commitment to these reforms among politicians, academics and civil society opinion leaders, as well as public officials at national and subnational level. Experience highlights the importance of balancing short-term performance improvements and longer-term capacity development in order to sustain the reform process. Continuing civil society engagement to enhance the responsiveness of ongoing reforms to the concerns and priorities of citizens at all levels of society, and in all regions of the country,

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<sup>25</sup> European Union Election Observation Mission (2019), 'Final Report General and Provincial Assembly Elections, 15 October 2019'.

<sup>26</sup> This figure includes multiple counts of trainees who attended more than one course; the number of unique trainees is not available.

can play a key role in keeping decentralisation processes relevant to the challenges faced by local communities. Without this sort of cumulative momentum and ongoing collective learning process related to continuing reform, Mozambique's decentralisation process will remain vulnerable to the shifting interests and power-dynamic among political elites.

### **3.2. Complementarity, synergy and donor coordination**

A core objective of the EU is to 'preserve peace, prevent conflicts and strengthen international security'. This objective has been reaffirmed in the New European Consensus on Development<sup>27</sup>. In the Global Strategy of 2016, the EU pledged to 'be able and ready to respond responsibly yet decisively to crises, facilitate locally owned agreements, and commit long term'. Current arrangements among the international community for support to the peace process in Mozambique involves a Contact Group led by the UN Personal Envoy and comprised of the EU, Botswana, China, Norway, Switzerland, the UK and the US which supports the peace process. Beyond this group, development partners who are or intend to support the Peace Support Secretariat in the implementation of the August peace Accord are meeting regularly at Head of Missions (HoMs) and technical level to coordinate their activities and common messaging. The Peace Support Secretariat has been established to support actions linked to the two pillars of the negotiation process, i.e. decentralisation and DDR. The EU 2019 EOM presented its conclusions and recommendations for future electoral processes in February 2020 to the international community and main donors in Mozambique and emphasised that different donors' activities related to improvement to the electoral process should be coordinated and consider all stakeholders, so that an inclusive process results in public acceptance

Besides the EU (EDF – EUR 50 million) support to the peace process through a comprehensive framework of interventions focusing on support to livelihoods in conflict-affected areas (rehabilitation), DDRenv, reconciliation and decentralisation, the EU committed an additional EUR 10 million support through the ongoing Instrument contributing to Stability and Peace (IcSP) Exceptional Assistance Measure 'Supporting recovery, peace and stability after cyclones Idai and Kenneth'. The EU has supported the Peace Secretariat with regard to the first phase of the DDR of former combatants and the return of former combatants to their communities through initial temporary assistance (tents and reinsertion kits). Furthermore, the IcSP programme has supported actions to strengthen the resilience of children and communities in cyclone-affected areas, and increasing the economic activity of young people and their capacity to engage with local communities and authorities on youth inclusion and peace. A third EU intervention (IcSP – EUR 2 million) started specifically to support the Peace Support Secretariat in the implementation of the August 2019 Peace Agreement.

An important part of this action will be implemented with the strong involvement of CSOs. Linkages will be established with the ongoing EU Support Programme to Non State Actors (PAANE II) started in 2018 and the 'Civil Society Organisations and Local Authorities 2014-2020' programme. Both are of particular importance for this action document, as they aim at promoting dialogue and synergies between CSOs and local and national authorities. The implementation of this action will seek coordination to ensure consistency with the referred programmes, in particular to avoid duplication of activities and thus also guarantee some proportionality in terms of geographic and thematic distribution.

Development partner support for decentralisation has been substantial, with bi-lateral and multi-lateral governance programmes supporting all districts and most municipalities. However, this support appears to have peaked with few active decentralisation and local governance programmes currently being funded. The end of Mozambique's Poverty Reduction Strategy

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<sup>27</sup> New European Consensus on Development, OJ C 210 of 30.06.2017.

(PARPA) in 2013/14, and of the general budget support modality in 2016, imposed challenges in terms of a common framework for dialogue, financial support and monitoring of government policy, including in relation to decentralisation. The hidden debt scandal has called into question Mozambique's credibility with development partners and investors. Furthermore, the discovery of natural resources has provoked changes in the development aid paradigm, with international partners less inclined to support state building and governance reforms, including decentralisation, and focusing on foreign investment and trade. Moreover, over the last three years, the peace process and the devastating impact of Cyclones Idai and Kenneth have tended to be the principle focus of Government and development partners alike. The Decentralisation Working Group (DWG), of which the EU is an active member, is currently chaired by Germany. This is the main forum for exchange of information among development partners and for coordination of support to the Government of Mozambique. The group meets collectively with the Government, including at ministerial level, to maintain a dialogue process about governance and institutional reforms as well as institutional strengthening investments.

Nevertheless, the 2019 Peace Accord, the 2018 Constitutional Amendment, and the recent election of Decentralised Provincial Governments, have re-awakened interest in supporting the decentralisation process, albeit tempered by some concerns. Most development partners now consider decentralisation and local governance to be a likely focus of their future cooperation programmes. However, the lack of clarity in the recently published legislation for decentralised government at provincial level, and the apparent contradictions and overlaps in the regulation of the functions of the Office of the Provincial Secretary of State and the Provincial Government, are leading some potential development partners to adopt a 'wait and see' approach before making concrete and resource-backed commitments to supporting the new decentralised governance architecture and systems. Other partners will continue to focus on support to local governance at municipal level where interventions have been tried and tested and some success achieved. Principle initiatives include:

- The World Bank: a USD 100 million Urban and Local Development Project (PDUL), programme currently under formulation that will support management capacity and infrastructure for improved service delivery in 20 municipalities, as well as general capacity development in support of decentralisation in the municipalities and districts of four provinces<sup>28</sup>.
- United States Agency for International Development (USAID): a USD 20 million democratic local governance strengthening programme currently under tender for improved, and more accountable, service delivery in Nampula, Zambezia and Cabo Delgado provinces.
- German Cooperation/GIZ: A Good Financial Governance project (GFG) supports decentralised PFM and governance in 6 municipalities in Sofala and Inhambane Provinces<sup>29</sup>. The project also supported the public administration training institutes (IFAPAs) as a means of up scaling its training packages for municipal government.
- UK Department for International Development (DFID): a Transparency and Accountability for Inclusive Development (TAcID), a GBP 7 000 000 programme currently under tender to increase government transparency, accountability and responsiveness to civic demands, at municipal and district level in 3 provinces (Cabo Delgado, Nampula and Tete).
- United Nations Capital Development Fund (UNCDF): supports climate resilient decentralised planning and finance in 4 provinces with support from Belgium, Swedish International Development Cooperation (SIDA) and the EU. UNCDF is also the implementing partner for

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<sup>28</sup> The World Bank is understood to plan formulation beginning in 2020 of a possible district governance project as indicated in its current Country Programme Framework, but at the time of this analysis no details are available.

<sup>29</sup> In a prior phase the GIZ Good Financial Governance Project also included 20 districts in the same 3 provinces.

the EU's Local Governance and Early Economic Recovery project in 14 districts in Sofala, Manica and Tete Provinces.

- Swiss Development Cooperation (SDC): the next phase of its country programme (from 2022) is likely to focus on social accountability at municipal level through strengthening civil society organisations.
- UNDP: has launched a USD 60 million multidimensional programme to support the decentralisation process in Mozambique and is actively seeking support from development partners.

There is currently little support to decentralisation and local governance at central/ministerial level. GIZ has been providing some technical advice and policy support to MAEFP in relation to the preparation of the legislative package for decentralisation. The World Bank is currently providing technical support to MEF with regard to intergovernmental fiscal policy and decentralised PFM reform. This action will seek complementarity with these initiatives and contribute to supporting policy dialogue, donor harmonisation and joined/coordinated activities through the existent levels of dialogue, mainly the sector/ thematic working groups and the development coordination platform.

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

##### **4.1. Overall objective, specific objective(s), expected outputs and indicative activities**

###### Overall objective:

To contribute towards the consolidation of sustainable peace and social cohesion in Mozambique.

###### Specific objectives:

- 1) Strengthened implementation of the revised legal mandates for decentralised governance institutions;
- 2) Enhanced a more effective and accountable management of public resources and services;
- 3) Enhanced enabling environment for civil society actors for gender responsive, an inclusive and accountable local governance throughout the country.

###### Outputs and activities:

The expected outputs and indicative activities per specific objective are as follows:

##### **1) Strengthened implementation of the revised legal mandates for decentralised governance institutions:**

**Output 1.1 Decentralised governance bodies and central government agencies' capacities are strengthened and their impartiality improved with a special focus on promoting inclusive, equitable and sustainable social development and gender empowerment in sub-national governance:**

###### *Indicative activities:*

- Identification of priority concerns and technical gaps impeding effective implementation of provincial governance legislation and institutions,
- Define an annual agenda for TA on institutional, fiscal and developmental issues to support provincial decentralised governance bodies, including sustainable economic development, governance and public management processes, social inclusion, and gender empowerment issues.

- Establishment of a national (sex-disaggregated) roster of eligible Mozambique-based consultants across the various relevant specialisations qualified and available to provide short term technical assistance related to decentralisation, governance and developmental issues<sup>30</sup>,
- In case requested and duly justified, the support activities could also address information technology needs (or other supplies) to support the beneficiaries in order to fulfil their core duties.

**Output 1.2 Mechanisms for knowledge sharing and dissemination of specialist inputs, good practices and lessons learned to all those interested are in place.**

*Indicative activities:*

- Establish an internet based network among interested stakeholders – government officials and elected representatives, experts and academics,
- Share the knowledge gained from TA activities and associated lessons learned for wider consultation and benefit,
- Organise thematic workshops to focus on priority issues of common interest to provincial governments.

**2) Enhanced a more effective and accountable management of public resources and services:**

**Output 2.1 The elaboration of a National strategy and institutional framework for local government staff training is supported.**

*Indicative activities:*

- National needs assessment for LG staff competencies, human resource development, and training, from a gender perspective,
- Develop a national training programme for LG staff, including subject matter (content), pedagogic and implementation management guidelines,
- Develop an action plan to strengthen the analytical, coordination and supervision capacities of the National Coordinating Body for Local Government Staff Training,
- Develop a gender inclusion strategy for LG staff training to ensure women's access to training opportunities and gender-related content integrated in curricula and course manuals of the national training programme,
- Develop a National LG Training Curriculum and Curriculum Implementation Plan including capacity building of local government staff trainers,
- Establish provisional training coordination units in each province to link beneficiary LG training participants to available LG staff training courses,
- Establish a financing and management framework for various organisational models of LG training providers that may contribute to implementation of the National LG Staff Training Programme,
- Develop an exit strategy to address the problem of high level staff turnover in LG.

**Output 2.2 Key LG staff's capacities on technical and pedagogical aspects are strengthened via priority and pilot courses within the new strategic framework.**

*Indicative activities:*

- Identification, based on consultation with national, provincial and district authorities, of priority competencies and job categories for the first cycles of LG staff training,

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<sup>30</sup> Examples of annual common issues might include: (a) effective functioning of Provincial Coordinating Councils to facilitate horizontal and vertical intergovernmental relations; (b) decentralised priority setting in provincial implementation of national Planning and Budgeting System (SPO) reforms, and/or (c) improved provincial strategic economic development planning linking decentralised bodies to deconcentrated sector agencies for infrastructure and private sector development .

- Development/revision of training curricula as well as pedagogical methodologies for training of trainers for LG staff training courses,
- Implementation and evaluation of priority and pilot courses and revision of technical and pedagogic aspects of LG staff training methodologies as a basis for scaling up in the national programme,
- Establish a sex, age and disability disaggregated Monitoring and Evaluation Framework for the LG Staff Training including both M&E of course implementation and quality as well as M&E of trainee placement and performance as LG staff, with a focus on female trainees.

### **3) Enhanced enabling environment for civil society actors for gender responsive, an inclusive and accountable local governance throughout the country:**

**Output 3.1:** A National Dialogue for Decentralisation and Local Governance is prepared with a focus on inclusion of all political and social actors and interests.

#### *Indicative activities:*

- Select CSO Implementing Partner and establish capacity for guiding the National Dialogue,
- Undertake background studies on decentralised democratic and/or participatory subnational governance reforms in Mozambique and in other relevant African contexts,
- Inclusion Strategy and capacity building for Gender, Youth and People with Disability to enable their participation to the National Dialogue,
- Develop an action plan for the National Dialogue with CSO partners in each province,
- Train facilitators in each province for inclusive participatory methodology for the Dialogue,
- Organise, implement and document: 1 National Launch Workshop, 10 Provincial Launch Workshops, at least 144 District and Municipal Consultation Workshops, 10 Provincial Reflection Workshops, and one National Synthesis Conference.

**Output 3.2: Awareness about inclusive and accountable decentralisation reforms is raised among civil society actors.**

#### *Indicative activities:*

- Undertake an information campaign to disseminate the results of the National Dialogue to all Provinces and Districts and municipalities as well as national opinion leaders,
- Undertake advocacy activities to share the results of the National Dialogue with government officials and legislators representing all political parties, in order to inform future legislation and reforms. Create, as an exit strategy, a National Observatory for District Governance that will monitor the implementation of the district decentralisation process.

## **4.2. Intervention Logic**

The primary rationale for the intervention is to contribute towards the consolidation of sustainable peace and social cohesion in Mozambique by providing a strategic avenue to address the grievances that underpin conflict and violence in Mozambique: a more effective, equitable and inclusive democratic decentralisation. These grievances imply a urgent requirement for better informed public dialogue; systematic capacity building of the staff and officials of new decentralised bodies; and flexible and responsive technical assistance that can support the development of policies, legislation and regulations, and the elaboration and implementation of development plans and operational methodologies consistent with the Constitutional mandate for citizen-driven and accountable democratic decentralisation. Through the **Specific objective 1** the action will identify and mobilise local experts capable of meeting short-term TA needs through a just-in-time mechanism. A knowledge and information management system will ensure the sharing and dissemination expert inputs produced under the project to interested government officials, academics and journalists; **Specific objective 2** will respond to longer-term more structural capacity constraints by establishing a national framework and medium term programme for local government staff training, focusing on the professional competencies that

will be required to implement district decentralisation reforms beginning in 2024, with a special focus on promoting democratic values, ethical behaviour, respect for human rights, gender equity, and inclusive public service delivery and local development; **Specific objective 3** will support a National Dialogue on Decentralisation and Local Governance to be led and implemented by Civil Society Organisations, in order to articulate citizen demand and preferences related to democratically accountable and citizen responsive governance in the districts as the next cycle of decentralisation legislation and reforms is prepared and implemented during the coming five years. Through these three strategic objectives the action will strengthen the capacity of government officials and civil society actors to design, plan, and implement inclusive and accountable decentralised democratic governance institutions and processes at provincial and district levels. It will support fulfillment of the Constitutional mandate that decentralisation will enable the ‘participation of citizens in the solutions of the problems in their own communities, to promote local development, [and] the deepening and consolidation of democracy in the context of the unity of the Mozambican State<sup>31</sup>’. The action is aligned with and will contribute to the achievement of the EU policy objectives as set out in point 2 – policy framework (global, EU).

Nevertheless, in the longer run it is expected that the planned deepening of democratic decentralisation to district level in 2024-5 will enhance opportunities for broader inclusion of diverse political interests. In this context, EU support to current decentralisation reforms represents a significant contribution to both democratisation and greater accountability in local governance. It will have a particularly relevant impact in Mozambique’s rural areas, where the district is the local entry point for interaction of citizens with the State. Because most other external assistance continues to focus on the already decentralised<sup>32</sup> municipal cities and towns, the EU’s leading role in supporting broader decentralisation and democratisation in rural regions containing 66.7%<sup>33</sup> of the national population is strategic, significant in both political and developmental terms. It is, therefore, important to ensure that the preparations for continuing decentralisation reforms are timely and transparent<sup>34</sup>. The preparatory activities supported by this action, will enable civil society to be informed and engaged in the decentralisation process. It will also establish an institutional framework and capacity building investments that will enable public officials at all levels, and legislators representing all political parties, to be well prepared to effectively implement the next cycle of decentralisation reforms.

The consolidation of democratically elected provincial governments presents technical and capacity challenges, not only for the decentralised governments themselves, but for the central state institutions responsible for the legislative and regulatory framework; for development planning and public financial management systems; and for monitoring and oversight of subnational governance. New decentralised executive bodies (i.e. ‘Provincial Governments’) are charged to exercise their democratic mandates to achieve greater effectiveness, responsiveness, and accountability in local governance. Furthermore, along with elected Provincial Assemblies, they are expected to take steps to promote reconciliation and social cohesion which, through a more consensual framework for inclusive participation, engages with members of opposition parties and of civil society. Citizens and civil society are further challenged by the complexity of the reforms and the ambiguity of their implications for the empowerment and accountability of newly elected officials. The EU and Partners’ country roadmap for engagement with civil society 2016-2019 and its updates will be of extreme importance and a main tool for the linkages with the CSOs.

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<sup>31</sup> Constitutional Amendment Law 1/2018 Article 270-A Line 1.

<sup>32</sup> Elected Municipal Councils have been in place since 1998. There are now 25 municipal cities and 28 municipal towns.

<sup>33</sup> IV National Census (2017 data).

<sup>34</sup> *ibid.* EOM Report.

The proposed action will abide by the ‘do no harm principle’ to avoid unintended negative impact in terms of human rights and will be implemented following the rights-based approach working principles ensuring participation, non-discrimination, accountability and transparency. The proposed actions will develop the capacities of the stakeholders as ‘rights-holders’ to claim their rights and ‘duty-bearers’ to meet their obligations.

### **4.3.Mainstreaming**

**Gender:** Through its integrated interventions, the action will stress the important role that local government can play in the promotion of gender equality and women’s empowerment through non-discriminatory service provision and fair employment practices, tackling violence and harmful practices against women and providing support services, reducing barriers to women’s equal access to, and control and ownership of, land and other resources. The technical assistance provided through the action at national and local level (SO1), will introduce methodologies, tools and techniques to ensure that gender equality is mainstreamed in local development and operational plans, financial instruments and in monitoring and reporting to improve women’s and girls’ access to basic services and tackle the multiple barriers to women’s empowerment. The action will show how participatory mechanisms and processes can be enhanced to specifically target women and girls and identify their needs and priorities, with a particular emphasis on targeting the most vulnerable. Technical assistance to strengthen gender-orientated planning and gender budgeting will introduce greater accountability and transparency regarding gender equality in the development process. Evidence shows that women are under-represented in the public administration and particularly in senior, managerial and decision-making positions. Gender equality will be mainstreamed in the new national public administration training system and across all training modules (SO2). The national policy for public administration training will be designed to positively encourage and incentivise the participation of women. Pilot training courses will focus on gender mainstreaming in the local governance, planning, PFM and monitoring. There will be a presumption in favour of the admission and progression of female trainees to enhance the opportunities of women to improve their knowledge and skills and compete for promotion to managerial and decision-making positions. Local politics is often the first step to regional and national office, thus empowering women by supporting them into elected office at local level is an important step. Female leaders in local government, whether in elected posts or in senior staff positions, and in civil society organisations or participatory mechanism, can challenge gender stereotypes and set an example to women and young girls. During the proposed national dialogue process (SO3), the action will work with political parties, CSOs and women’s groups to advocate for an increase in the number of female leaders and elected representatives and women in decision making positions. Given the importance of violence against women and the former women’s involvement in armed groups, which has been considered as a form of women’s empowerment and a transformation from traditional gender identities, attention will be paid throughout the action to this issue. This necessitates also training and sensitisation of male counterparts.

**Human rights:** A rights-based approach underpins the proposed action. Technical assistance, training and capacity building (SO 1 & 2) will contribute directly or indirectly to the promotion and safeguarding of human rights, including the right to equal treatment and access to public services and development opportunities, freedom from discrimination, freedom of opinion and information, participation in government and in free elections, rights for work and rights for adequate of living conditions. The national dialogue process (SO3) will emphasise the importance of respect for, and enhancement of, human rights in local governance and the local development process and will actively promote the inclusion of women and girls, youth and political, social, ethnic, and religious minorities.

**Environment and climate change:** Mozambique is highly vulnerable to climate change. Adaptation and mitigation measures will therefore be a key component of technical assistance

and training activities. The action will enhance the capacity of local government staff to analyse and evaluate vulnerability to climate change and environmental threats, and particularly their impact on women, children and vulnerable groups, and how to address these through local governments, which is the most relevant actor to implement concrete adaptation solutions. They will be introduced to methodologies and tools for mainstreaming climate change and environmental considerations into local development plans and budgets and develop strategies to mitigate their impact, particularly on vulnerable communities and on key social and economic infrastructure. Environmental mainstreaming will also ensure that valuable ecosystem resources, including the quality of ecosystem services and of biodiversity, are sustained in the long term. In the national dialogue process, special attention will be given to the dissemination of knowledge and information and awareness raising on the impact of climate change and the important role that local government and local CSOs and communities can play in reducing vulnerability and mitigating against its impact.

**Disadvantaged and marginalised groups – ‘Leave no one behind’:** Social, political and economic inclusion in local governance is embedded in the proposed action. During the inception phase marginalised groups and groups living in disadvantaged and vulnerable situations have been identified and classified as follows: (a) limited or no opportunity to participate in decision making processes due to their political affiliations or beliefs, (b) the extremely poor who don’t have the awareness, knowledge, confidence or motivation to engage in the development process and participatory mechanisms at community, district and provincial level; (c) those physically and/or psychologically unable to participate (the elderly, chronically sick, physically or mentally disabled etc.). The intervention will ensure, through its support to technical assistance and training for local government staff (SO 1 & 2), that the particular needs of these groups are recognised and understood, and that methodologies, tools and techniques are introduced to ensure their inclusion in the planning, budgeting and development process. Similarly, the action will ensure that tools and techniques are introduced that enable implementation partners to include these groups in the national dialogue process on decentralisation and local governance (SO 3).

**Resilience and conflict sensitivity:** Peace building and the promotion of social cohesion are amongst the principle objectives of the action and will be integral components of all interventions and activities. Technical assistance and public administration training will ensure that capacities are enhanced for, and promote an inclusive approach to, planning, budgeting and local development through the introduction of responsive, inclusive, accountable and conflict sensitive governance and the peaceful and equitable implementation of decentralisation laws, inclusive public investment and service provision (SO 1 & 2). The action will ensure that the national public administration training system admission policy and progression within the system is transparent and does not discriminate against those with particular political affiliations and beliefs, or members of social, ethnic or religious groups. The national dialogue process will be designed to be transparent and ensure that a participatory and inclusive approach is adopted in all actions and that no individual or group is excluded but are given the opportunity to express their views and opinion and that these are duly and accurately reflected in the reporting process (SO 3).

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

The success of the Sustainable Development Goals depends to a large extent on the coordination of implementation efforts through good governance at both national and local level. By focusing on territories and empowering local government to deliver, the SDG can make progress. The action will strengthen the capacity of local government, through technical assistance and the public administration training system, to own and contribute to the achievement of the SDGs by prioritising them in local planning and finance systems and monitoring progress through the definition of locally relevant indicators. All the SDGs have a local dimension that is essential to

their achievement. SDG 16 focuses specifically on governance and seeks ‘to promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels’. Through its support to technical assistance and training, the action will strengthen the capacity of local governments to become more effective and accountable to citizens through increasing access to information, and ensuring responsive, inclusive, participatory and representative decision making at all levels and making sure no group is excluded. Moreover, the action will involve citizens and civil society organisation in a national dialogue about the future of decentralisation in Mozambique in order to inform emerging policy and legislation. SDG 5 seeks to ‘achieve gender equality and empower all women and girls’. Through its interventions, the action will continually emphasise in technical assistance and training activities the important role that local government can and must play in contributing to the achievement of this goal. Local governments will be encouraged to undertake a gender analysis and, based on this, elaborate gender sensitive local plans and budgets and adapt SDG gender indicators to local conditions for the purposes of monitoring. The national public administration training policy will ensure that greater opportunities exist for women to advance within local government and assume leadership and decision-making positions. The action will provide technical assistance and training to mainstream gender equality across all areas of local governance. The action will also contribute to the progressive achievement of Goal 10: Reducing inequality within and among countries, and Goals 1: End Poverty in all its forms everywhere, and 13: Take urgent action to combat climate change and its impacts through the interventions described in section 4.3.

## **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>35</sup>.

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<sup>35</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 Grants: (direct management)*

##### (a) Purpose of the grant

The implementation by this modality entails the outputs related to Specific Objective 3: ‘Enhanced enabling environment for civil society actors for gender responsive, an inclusive and accountable local governance throughout the country’. The implementation of this component will be carried out through a CSO responding to a call for proposals for a single grant and proven capability to support policy reform and advocacy processes with focus on participatory consultations and stakeholder dialogue; deep knowledge of the country political and social context, including the history and nature of decentralisation, democratisation and other governance reforms; knowledge and relationships with the community of civil society organisations in Mozambique, especially connections to relevant CSOs and platforms in a majority of provinces; proven capacity to efficiently and transparently manage complex logistical and administrative processes and to deliver results under challenging low capacity conditions.

##### (b) Type of applicants targeted

In order to be eligible for this grant, the lead applicant must be a non-profit-making legal person and a non-governmental organisation or a consortium/network of thereof, established in Mozambique. Potential implementing organisations will have extensive knowledge and experience with governance issues in Mozambique; an established record of employing inclusive participatory methods with a focus on empowerment of women and youth participants; and significant capacity in communication and knowledge management with a focus on digital platforms and media. Guidelines will be drafted in such a way as to encourage wide partnerships/consortia among local actors. International or Mozambican co-applicants may be foreseen. Partnerships and/or activities with media and/or university/research institutions will be encouraged.

#### *5.4.2 Indirect management with an International Organisation - UNDP*

A part of this action may be implemented in indirect management with UNDP. The implementation by this entity entails the outputs related to Specific Objective 1: “Strengthened implementation of the revised legal mandates for decentralised governance institutions”. The envisaged entity has been selected using the following criteria: technical capacity and solid experience in implementing actions and to provide technical assistance and capacity building services to subnational governing bodies; good knowledge of local context with strong working relationships with provincial and local governments, academic institutions and think tanks; and other relevant Development Partners.

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

#### *5.4.3 Indirect management with a Member State Agency - GIZ*

A part of this action may be implemented in indirect management with GIZ. The implementation by this entity entails the outputs related to Specific Objective 2: ‘Enhanced a more effective and accountable management of public resources and services’. The envisaged entity has been selected using the following criteria: technical capacity and solid experience in implementing actions and to provide technical assistance and capacity building services to subnational governing bodies; good knowledge of the local context with strong working relationships with provincial and local governments, existing training institutions and programmes, and other relevant Development Partners.

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

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.

### 5.6. Indicative budget

<b>Budget Headings</b>	<b>EU contribution (in EUR)</b>	<b>Indicative third party contributions</b>
<b>Specific Objective 1:</b> To strengthen implementation of the revised legal mandates for decentralised governance institutions through better informed decision-making, through Indirect management with an International Organisation – UNDP (5.4.2)	<b>4 300 000</b>	USD 1 500 000 (~EUR 1 368 000)
<b>Specific Objective 2:</b> To strengthen the human resource capacity of decentralised governance bodies to effectively and accountably manage public resources and services, through Indirect management with a Member State Agency – GIZ (5.4.3)	<b>6 500 000</b>	
<b>Specific Objective 3:</b> To enhance civil society knowledge and demand for inclusive and accountable local governance throughout the country, through Grants (direct management) (5.4.1)	<b>2 200 000</b>	
5.9 Evaluation and 5.10 Audit	400 000	
5.11 Communication	600 000	
Contingencies	1 000 000	
<b>Total</b>	<b>15 000 000</b>	<b>1 368 000</b>

## **5.7 Organisational set-up and responsibilities**

A National Steering Committee<sup>36</sup> (NSC) will be established with the role of supervision of the programme. The NSC will provide strategic guidance and guarantee the overall achievement of the programme objectives and expected results. The NSC will be composed of the EU, representatives of the National Authorising Office (NAO), MAEFP and MEF and the implementing partners/agencies. Representatives of decentralised organs of governance at the provincial level may be invited to participate in meetings as relevant. At the operational level, a Technical Committee (TC) will be established to supervise activities, improve and consolidate coordination, and reinforce dialogue with stakeholders. The TC will be comprised by relevant National Directors from MAEFP and MEF, representatives among the provincial decentralised bodies involved in the programme, and the implementing agencies/partners. The objectives, composition, role and procedures for the NSC and the TC will be approved by consensus between the EU and the Government.

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.

## **5.8 Performance and result monitoring and reporting**

A system for technical and financial monitoring will be established and the implementing agencies/partners shall use it regularly and systematically to inform progress on the implementation of activities and budget spending. The purpose of the system for monitoring is to ensure that the implementing agencies/partners will have accurate information internally produced to help understand how effective the planned activities are progressing and use that information to support the reporting process. The monitoring report shall be able to identify the degree under which the activities are implemented; the results are being achieved based on the disaggregated indicators established, what are the barriers and what actions need to be taken to correct the potential deviation. The foundation of the monitoring lies on the log frame matrix, and the expectation is that in the first year of implementation the implementing agencies/partners will require the elaboration of a baseline study to inform the situation and potentially clarify the monitoring indicator of the Programme and by each component.

The EU shall also decide to make its monitoring activities; this shall be made directly by the EU or through consultancy services.

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).

All monitoring and reporting shall assess how the action is taking into account the rights-based approach working principles (i.e participation, non-discrimination, accountability and transparency) as well as how it contributes to gender equality and women's empowerment.

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<sup>36</sup> The option of sharing a single Steering Committee with the other operations funded by EU Support to Consolidation of the Peace Process, however due to the more technical nature of this action and lack of a direct connection to the DDR process, membership focused only on the ministries responsible for local administration and public finance was considered more appropriate.

## **5.9 Evaluation**

Having regard to the importance of the action, a mid-term and a final evaluation will be carried out for this action or its components via independent consultants or through a joint mission, contracted by the Commission or via an implementing partner, who will provide also for human rights and gender expertise.

The mid-term evaluation will be carried out for problem solving and learning purposes, in particular with respect to provide critical information on how effective the project is progressing toward objectives and the expected results of the programme, to inform about the challenges to the effective implementation of Programme or/and its components and provide a recommendation on how to overcome them.

The 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 shall inform what results were achieved under the Programme implementation, how the theory of change rolled out, provide a range of information knowledge for learning, accountability, and implication for policy change.

The Commission shall inform the implementing partner at least one month in advance of the dates foreseen 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. 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.

## **5.10 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.

For the purpose of enhancing the visibility of the EU and its contribution to this action, the Commission may sign or enter into joint declarations or statements, as part of its prerogative of budget implementation and to safeguard the financial interests of the Union.

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.

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

## **6. PRE-CONDITIONS**

N/A

## APPENDIX - Indicative Log frame matrix

	<b>Results chain: Main expected results</b>	<b>Indicators (at least one indicator per expected result)</b>	<b>Sources of data</b>	<b>Assumptions</b>
<b>Impact (Overall Objective)</b>	To contribute towards the consolidation of sustainable peace and social cohesion in Mozambique.	<ul style="list-style-type: none"> <li>• 1. Proportion of population subjected to physical, psychological or sexual violence in the previous 12 months (*SDG 16.1.3).</li> <li>• 2. Level of political consensus on decentralised governance reforms.</li> </ul>	<ul style="list-style-type: none"> <li>• 1. National and local reports and statistics.</li> <li>• 2. Government reports, national and provincial parliament reports.</li> </ul>	
<b>Outcomes (Specific Objectives)</b>	1) Strengthened implementation of the revised legal mandates for decentralised governance institutions.	1.1 Number of decisions made by decentralised governance bodies. 1.2 Number of decisions made by decentralized governance bodies related to gender, youth, disability and marginalised groups, and to climate change. 1.3 Number of policies, institutional or procedural reforms made by central government bodies. 1.4 Number of users of decentralised governance digital knowledge platform, disaggregated by sex.	<ul style="list-style-type: none"> <li>• 1.1,1.2 Official documents from decentralised governance bodies.</li> <li>• 1.2 Official documents from central governance bodies.</li> <li>• 1.3 Self-assessment reports from TA providers.</li> </ul>	<ul style="list-style-type: none"> <li>• Stability, legitimacy and impartiality of national governance institutions at all levels.</li> <li>• Long-term economic stability.</li> <li>• No major disaster affecting the target region.</li> <li>• Key stakeholders link improved social and economic development to peace.</li> </ul>
	2) Enhanced a more effectivel and accountable management of public resources and services.	2.1 Status of a national strategy and institutional framework for local government staff training drafted/developed with the support of the EU-funded intervention.	<ul style="list-style-type: none"> <li>• 2.1 Government Decrees, Regulations, and Circulars promulgated.</li> </ul>	
	3) Enhanced enabling environment for civil society actors for gender sensitive, an inclusive and accountable local governance throughout the country.	3.1 Nr of participants in National Dialogue – disaggregated by sex. 3.2 Number of citizens expressing satisfaction with their participation in the National Dialogue on Decentralisation and Local Governance by sex, age and disability group. 3.3 Number of Parliamentary Commission	<ul style="list-style-type: none"> <li>• 3.1, 3.2 Survey (via mobile phone) of participants in National Dialogue.</li> <li>• 3.2 Media Reports.</li> <li>• 3.3, 3.4 Interviews with politicians and CSO thought leaders.</li> </ul>	

	<b>Results chain: Main expected results</b>	<b>Indicators (at least one indicator per expected result)</b>	<b>Sources of data</b>	<b>Assumptions</b>
		Members aware of the National Dialogue on Decentralisation and Local Governance by sex. 3.4 Nr of advocacy processes initiated by civil society related to the future of Decentralisation and Local Governance in Mozambique enhanced/informed by the results of the National Dialogue.		
<b>Outputs</b>	Output 1.1 Decentralised governance bodies and central government agencies' capacities are strengthened and their impartiality improved with a special focus on promoting inclusive, equitable and sustainable social development and gender empowerment in sub-national governance.	1.1.1 Nr of legal mandates/ decisions released or implemented with technical support provided to <u>decentralised governance bodies</u> regarding issues related to subnational governance legislation and institutions. 1.1.2 Nr of legal mandates/ decisions released or implemented with technical support provided to <u>central government bodies</u> regarding issues related to subnational governance legislation and institutions.	<ul style="list-style-type: none"> <li>• 1.1.1 Survey of TA providers and evaluation data collected regarding each TA provided to decentralised governance bodies; survey of decentralised governance officials regarding usefulness of TA.</li> <li>• 1.1.2 Survey of TA providers and evaluation data collected regarding each TA provided to central governance bodies; survey to government officials/ MAEFP and government reports.</li> </ul>	<ul style="list-style-type: none"> <li>• National Government endorses technical support to Provincial bodies.</li> <li>• Provincial and national officials responsive to opportunity for TA.</li> <li>• Local academics and specialists available and interested to provide TA.</li> </ul>
	Output 1.2 Mechanisms for knowledge sharing and dissemination of specialist inputs, good practices and lessons learned to all those interested are in place.	1.2.1 Nr of documents on lessons learned published related to subnational governance legislation and institutions, disaggregated by entity in charge of the publication (decentralised/centralised governance bodies). 1.2.2 Nr of page hits on decentralised governance digital knowledge platform. 1.2.3 Nr of documents published that promote gender equality and inclusiveness (with specific attention to persons with disabilities) in local governance.	<ul style="list-style-type: none"> <li>• 1.2.1 1.2.2 Online statistics re web publication use.</li> <li>• 1.2.3 Online statistics and project reports.</li> </ul>	

	<b>Results chain: Main expected results</b>	<b>Indicators (at least one indicator per expected result)</b>	<b>Sources of data</b>	<b>Assumptions</b>
	Output 2.1 The elaboration of a National strategy and institutional framework for local government staff training is supported.	2.1.1 Status of Policy, strategic framework and implementation plan for developing a national LG training system, including business plan for financing and delivery of LG training and a gender inclusion strategy drafted/developed with support of the EU-funded intervention. 2.1.2 Nr of provincial training coordination units established in the provinces to link beneficiary LG training participants to available LG staff training courses.	<ul style="list-style-type: none"> <li>• 2.1.1 Government Decrees, Regulations, and Circulars.</li> <li>• 2.1.2 Commitments by DPs to follow-on/scaling-up funding.</li> </ul>	<ul style="list-style-type: none"> <li>• Government commitment to LG staff training in support of decentralisation.</li> <li>• Collaboration among various MAEFP directorates to support LG staff training programme.</li> <li>• Willingness of stakeholders to implement institutional and curriculum reforms.</li> <li>• Interest among DPs to support a unified government-led national LG training system.</li> <li>• Demand for staff training from top LG officials.</li> </ul>
	Output 2.2 Key LG staff's capacities on technical and pedagogical aspects are strengthened via priority and pilot courses within the new strategic framework.	2.2.1 Nr of trainers trained to deliver priority and pilot improved LG staff training courses with increased knowledge with support of the EU-funded intervention – disaggregated by sex, age and disability. 2.2.2 Nr of LG staff trained on local governance/public reforms with increased knowledge with support of the EU-funded intervention through implementation of priority and pilot improved LG staff training courses, disaggregated by sex, age and disability.	<ul style="list-style-type: none"> <li>• 2.2.1 Evaluation reports for ToT and pilot/priority training courses submitted at the beginning and at the end of the training session.</li> <li>• 2.2.2 Questionnaire submitted at the beginning and at the end of the training courses.</li> </ul>	<ul style="list-style-type: none"> <li>• Willingness of stakeholders to implement institutional and curriculum reforms.</li> <li>• Interest among DPs to support a unified government-led national LG training system.</li> <li>• Demand for staff training from top LG officials.</li> </ul>
	Output 3.1: A National Dialogue for Decentralisation and Local Governance is prepared with a focus on inclusion of all political and social actors and interests.	3.1.1 Status of the National <u>Launch</u> Conference for National Dialogue planned/prepared/implemented with support of the EU-funded intervention. 3.1.2 Nr of Provincial and District Workshops implemented with support of the EU-funded intervention, disaggregated by provinces., 3.1.3 Nr of participants in Provincial and	<ul style="list-style-type: none"> <li>• 3.1.1 National launch conference media reports.</li> <li>3.1.2, 3.1.3 Reports from district, provincial and national workshops.</li> <li>• 3.1.4 National conferences media reports from CSOs and district, provincial and national workshops.</li> </ul>	<ul style="list-style-type: none"> <li>• Openness of Government to civil society dialogue about decentralisation.</li> <li>• Citizen and CSO interest in dialogue about</li> </ul>

	<b>Results chain: Main expected results</b>	<b>Indicators (at least one indicator per expected result)</b>	<b>Sources of data</b>	<b>Assumptions</b>
		District Workshops disaggregated by sex, age and disability %). 3.1.4 Status of National Conferences on CSO Dialogue for Decentralisation and Local Governance planned/ prepared/ implemented and documented with support of the EU-funded intervention.		decentralisation. • Interest by Parliamentarians in civil society input about decentralisation.
	Output 3.2 Awareness about inclusive and accountable decentralisation reforms is raised among civil society actors.	3.2.1 Nr of public information sharing events regarding the National Dialogue process and its results. 3.2.2 Nr of publications (including on line) regarding the National Dialogue process. 3.2.3. Nr of related gender, youth, disability and marginalised groups reporting their participation in the National Dialogue.	<ul style="list-style-type: none"> <li>• 3.2.1 Media Reports.</li> <li>• 3.2.2 Online statistics re web publication use.</li> <li>• 3.2.3 Interview with members of gender, youth, disability and marginalised groups.</li> </ul>	