

DRAFT

**Programme Proposal
for
Danish Assistance to
the Agricultural Sector**

MOZAMBIQUE

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¹ As this report is the output of the very first step in a number of phases required to identify, prepare, appraise and approve future Danish Agricultural SPS to Mozambique some sections are brief and incomplete. They are, however, included so as to provide an outline of the final document to be elaborated.

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Map of Mozambique

List of Abbreviations

ADB	African Development Bank
BPD	People's Bank of Mozambique
BCM	Commercial Bank of Mozambique
BM	Mozambique Central Bank
CDA	Agricultural Documentation Centre
CFA	Agrarian Training Centre
CGIAR	Consultative Group on International Agricultural Research
CNA	National Commission for the Environment
Danida	Danish International Development Agency
DAF	Department for Administration and Finance
DEA	Directorate of Economics
DKK	Danish Kroner
DNDR	National Directorate for Rural Development
DINA	National Directorate for Agriculture
DINAGECA	National Directorate for Geography and Cadastre
DINAP	National Directorate for Livestock
DNCI	National Directorate for International Cooperation
DNFFA	National Directorate for Forestry and Wildlife
DNHA	National Directorate for Agricultural Hydraulics
DNRH	National Directorate for Human Resources
DNP	National Directorate for Fisheries
DDA	District Directorate of Agriculture and Fisheries
DPA	Provincial Directorate of Agriculture and Fisheries
DSV	Department of Plant Protection
ERP	Economic Rehabilitation Programme (also known as PRE)
ESRP	Economic and Social Recovery Programme (also known as PRES)
FAO	The Food and Agriculture Organization of the UN
FFADR	Agricultural Fund for Rural Development
FFDHA	Fund for Irrigation Development
GDP	Gross Domestic Product

GNP	Gross National Product
GOM	Government of Mozambique
GTZ	German Association for Technical Cooperation
IAM	Cotton Institute of Mozambique
Ibis	Danish NGO (i.a. implementing an area-programme in Zambezia)
ICM	Cereals Institute of Mozambique
IDA	International Development Association
IFAD	International Fund for Agricultural Development
IMF	International Monetary Fund
INA	National Sugar Institute
INDER	National Institute for Rural Development
INIA	National Institute for Agricultural Research
INIVE	National Institute for Veterinary Research
IPA	Institute for Animal Production
ISNAR	International Service for National Agricultural Research (a member of CGIAR)
LINK	Forum for the Coordination of NGO Activity
MAF	Ministry of Agriculture and Fisheries (also known as MAP)
MICOA	Ministry for the Coordination of Environmental Action
MIT	Ministry of Industry and Trade (also known as MIC)
MONAP	Mozambique-Nordic Agricultural Programme
NGO	Non-governmental Organization
NORAD	Norwegian Agency for Development
NSP	National Sector Programme
ODA	Official Development Assistance
PNGA	National Environmental Management Programme
PDP	Priority Districts Programme
PESU	Emergency Seeds and Tools Programme
PPA	Pre-programme for Agriculture
PROAGRI	The part of PROAP dealing explicitly with agriculture
PROAP	National Sector Programme (NSP) Planning Process for Agriculture and Fisheries

PTIP	Three-yearly Public Investment Plan
SEMOC	Mozambican Seed Company
SIDA	Swedish International Development Agency
SNS	National Seed Service
SPS	Sector Programme Support
SSA	Sub-Saharan Africa
TCP	Technical Cooperation Programme
UEM	Eduardo Mondlane University
UN	United Nations
UNDP	United Nations Development Programme
UNICEF	United Nations Children's Fund
USAID	United States Agency for International Development

Executive Summary

Mozambique, which is the poorest country in the World, is facing a complex and overwhelming set of development constraints at national and agriculture sector levels. The country is emerging out of a devastating war and has committed itself to pursuing and intensifying a wide ranging set of economic reforms. A broad and all-encompassing set of development activities supported by the international community is, in other words, required. Development assistance by a donor such as Denmark can therefore be composed in a variety of ways using many different aid modalities. The strategic thrust of the Agricultural Sector Programme Support proposed here is the fostering of a poverty reducing pattern of growth with focus on increasing agricultural output. Promoting food security and national ownership and accountability are key among the more general objectives to be pursued.

It is argued that these goals can be achieved through a consolidated agricultural sector programme consisting of two province-based development sub-programmes tied together with a set (or a sub-programme) of mutually reinforcing activities in support of national-level institutions and services, geared, in particular, at creating an enabling environment for agricultural producers.² Thus, it is based on the findings of the policy-level assessment mission carried out during the second half of January 1996 and subsequent comments received from Danida and the Government of Mozambique (GOM) concluded that Danish SPS should:

- (i) Consolidate and expand field-level, peasant focused rural development activities in a selected number of districts in the provinces of Tete, where Danida has so far actively supported the development efforts of GOM.

² The three sub-programmes can without difficulty be approved separately if this proves convenient for administrative or other reasons, and it is highlighted that the issues related to Danida support to the fisheries sector are not addressed here.

(ii) Initiate as soon as possible a sub-sector programme in one more province (i.e. Manica where the Sussundenga research station is situated) similar to that provided to Tete. Decisions on an even broader geographical coverage by including a province such as Cabo Delgado or Sofala should be based on experiences to be gained in expanding the Danida support to Manica.

(iii) Link area-based sub-programmes with institutional and budget support to national and provincial level structures of the Ministry of Agriculture and Fisheries (MAF) responsible for applied research, extension and training as well other agricultural planning, support and regulatory services.

Increased agricultural production is a first and fundamental precondition for alleviating poverty in Mozambique. Moreover, the poor are mainly concentrated in rural areas, where also the suffering among women and children is particularly acute. Focusing Danida assistance as suggested is therefore a direct and most appropriate way of (i) channelling resources and providing opportunities to the poorest segments of society, (ii) promoting popular participation in the development process, and (iii) ensuring that the potential of a high potential growth sector is mobilized. Nevertheless, redressing the existing imbalances between men and women will in addition require that specific measures are identified and taken within all of the sub-programmes so as to help women farmers and female headed households get equal or even preferential access to inputs, training, services and employment.

Danish Sector Programme Support (SPS) is conceived as a long term framework for broad assistance to a National Sector Programme (NSP). The objective is to avoid donor-driven and donor-managed 'traditional' projects, which do not assist national institutions to cope with their overall responsibilities. Such an approach is particularly appropriate in the context of Mozambique. National, provincial and local structures are weak, and the capacity of government to carry out effectively its role in support of broad based development and more specifically the establishment of an enabling environment for farmers has been seriously undermined. Moreover, Mozambique is highly aid-dependent and aid-coordination has over the years presented considerable difficulty. Thus, concerted efforts are needed by the donor community to integrate and support the agricultural sector as a whole rather than creating

parallel structures and pursuing more narrow bilateral or multilateral donor institutional interests.

It is in this context encouraging that the Mozambican government has initiated the planning of an agricultural NSP, known under the acronym PROAP. This process is well advanced and donors are advised to intensify planning work with a view to how they can support this overall government sector programme, which will include an assessment of the external assistance required. Accordingly, it is suggested that Danida mounts as soon as possible further programming missions in the following areas: (i) Agricultural planning, administration and financial management, (ii) applied agricultural research (including post-harvest losses) and (iii) extension and training. In addition, action should be taken to reorient ongoing assistance to plant protection and seed control, so they fit within the overall SPS. Assistance in completing the PROAP process is also relevant.

It would, moreover, be advantageous if a Senior Research Manager and an Agricultural Development Adviser could be recruited soon to help reinforce INIA's national level research endeavours and the planning of the Manica sub-programme, respectively, in collaboration with the Senior Agricultural Adviser already in post. Alternatively, a mission should be fielded to make concrete and detailed proposals for the Manica sub-programme. Such work can in the case of Tete be undertaken by staff already in post. Finally, all possible steps should be made to base future assistance to Mozambican institutions on twinning arrangements with their Danish counterparts such as The Danish Institute of Plant and Soil Science, The Research Centre for Plant Protection, The Danish Agricultural Advisory Centre, Danish Agricultural Technical Colleges, the Danish Plant Directorate and the Royal Veterinary and Agricultural University. Involving these institutions in a way where they enter into long-term commitments to help implementing the SPS proposed here would ensure (i) the necessary continuity in the technical assistance needed in-country, and (ii) permanent institutional and professional back-up to the development struggle in Mozambique. Such characteristics are of fundamental importance for the sector programme approach to yield successful results in the Mozambican country context.

1. INTRODUCTION

A new country strategy for Danish bilateral development cooperation with Mozambique covering the five-year period 1995-99 was elaborated during 1994. The country strategy puts particular emphasis on poverty alleviation through the restoration of production in rural areas where the majority of the Mozambican population live. Thus, small-scale agriculture in the so-called family sector has been selected by the two governments as a fundamental priority for future Danish assistance. The other four areas Denmark will support in the coming years include semi-industrial fisheries, primary education, primary health and infrastructure.

It has also been agreed that future cooperation between Mozambique and Denmark will take due account of the ongoing reorientation of Danish aid, which was initiated in 1994 with the formulation of a new overall strategy for Danish development policy. This implies that a longer term, broader sectoral approach will be adopted in the formulation process and that special attention will be paid to the need of avoiding the creation of donor-driven and donor-managed 'project islands' and parallel implementation structures. Instead national ownership of the development effort is emphasized. Thus, backing to the efforts of the Mozambican government in the field of agriculture will be provided in the form of Sector Programme Support (SPS). An SPS is defined as a coherent set of activities that need to be looked at jointly to make an assessment meaningful, and dialogue between the cooperating partners is assigned a critical role in the formulation process.

The present total indicative planning figure for Danish assistance to Mozambique during the 1995-99 period amounts to DKK 855 million, equivalent to approximately US\$ 165 million at present exchange rates. It is expected that some 20% or DKK 171 million will be disbursed to support small-scale family farming agriculture, and these estimates include neither the costs of technical assistance personnel, which will be covered by Danida's general appropriation for development assistance, nor activities implemented through Danish NGOs. Actual disbursements will, however, depend on the absorptive capacity of the recipient institutions as well as the general pace of programme implementation.

As a first step in the process of formulating the SPS through which Danida will channel resources to the agriculture sector in Mozambique over the coming years, a policy-level assessment and identification mission was carried out during the period 21 January to 2 February 1996. The objectives of this visit and the scope of work are outlined in the Terms of Reference in Annex 1. The core of the assignment included (i) a review of Mozambican endeavours towards the formulation of a National Sector Programme (NSP) in the agricultural sector, (ii) an analysis of ongoing and planned donor supported activities, and (iii) the identification of an overall framework for future Danish assistance, including a set of broad programme proposals.

The itinerary of Dr. Finn Tarp, Economist/External Consultant to Danida, who carried out the above tasks in close collaboration with Mr. Jørgen Strange-Hansen, Agricultural Adviser at the Danish Embassy in Maputo, is enclosed in Annex 2.

Before departing from Mozambique, debriefing meetings were held with His Excellency Carlos Agostinho do Rosário, Minister of Agriculture and Fisheries and the two Vice-Ministers His Excellency José Pacheco and Her Excellency Isidora Faztudo. Comments provided in these open and frank encounters as well as the in-depth discussions held with staff at the Danish Embassy on findings and recommendations were most useful in drafting the first and preliminary mission report in February 1996. This final draft report takes into account subsequent reactions from Danida and the Mozambican government, which were received by end-June 1996.

The team would like to express its gratitude to all other officials and individuals met during the stay in Mozambique. The kind support and valuable information provided by those listed in Annex 3 greatly facilitated the work of the mission, which bears full responsibility for any remaining errors of fact or judgement.

Finally, this report contains the views of the team. They do not necessarily correspond to the positions of Danida or the Government of Mozambique (GOM), and all proposals are subject to the approval by the two governments.

2. SOCIO-ECONOMIC AND NATIONAL CONTEXT

Mozambique gained independence from Portugal in 1975 under the leadership of Frelimo, which became the only legal political party. Constitutional changes were, however, undertaken in 1990, and the first democratic elections took place in October 1994. President Chissano was re-elected, Frelimo acquired 44% of the parliamentary vote, and Renamo became the leading opposition party. Hence, Mozambique is by now a multi-party democracy in which basic human rights are protected by law.

Nevertheless, institutions are weak, and the development of democratic practices is hampered by arduous macroeconomic and social conditions. Mozambique is according to World Bank data the poorest country in the world with an annual GNP per capita of around 80 US\$. Thus, two-thirds of the rural and half of the urban population live in conditions of absolute poverty without possibility of satisfying even their most basic human needs. Moreover, structural problems go deep, rooted as they are in more than four centuries of colonial exploitation under Portuguese rule. To this comes (i) a decade long independence struggle, (ii) a vicious guerilla war staged by Renamo with South African backing from 1980 until cease fire in 1992, and (iii) inept state-focused and command-type economic policies pursued by Frelimo in the immediate post-independence years.

At independence Frelimo took over an economy where the administration and most of the economic infrastructure had been abandoned due to a mass exodus of the Portuguese. The exodus included large numbers of traders, so the rural population found themselves without access to even rudimentary networks for the distribution of goods and marketing of output. In spite of this, steady economic progress was realized until 1981, when sabotage and war started to undermine the development effort in a fatal manner.

The impact of the war on the agricultural sector can only be described as disastrous. More than one million people died, five million were displaced, and a large part of the country's economic infrastructure was destroyed, including most of the social and economic investments, Frelimo initiated in the second half of the 1970s. The needs for reconstruction and development are, in other words, enormous. This is especially so in the agriculture sector, where the overriding

issue of immediate short run importance is how to restore production and marketing with a view to improving food security in both rural and urban areas. In the medium to longer term the basic challenge is the gradual transformation of the poor, subsistence based, family sector into a commercially viable private sector where modern practices and technologies are applied.

As regards economic policy, Frelimo called for a re-ordering of priorities already at the Fourth Party Congress in 1983, and the needs of the small peasant sector were put squarely in focus. Also the role of the private sector was up-graded, and an economic action programme for the 1984-86 period was put forward. Nevertheless, the measures taken could not reverse the negative economic trend from 1981 and the security situation worsened despite the signing of the Nkomati accord with South Africa in 1984. The extreme scarcity of foreign currency reduced Mozambique's ability to import raw materials, spareparts and equipment to stimulate production as well as maintain and rehabilitate infrastructure. By 1986 internal and external economic balances had become close to impossible to manage and the majority of the family peasant sector was left in an extremely vulnerable position. Generalized shortages and widespread hunger became endemic. Inflation reached unprecedented levels, parallel markets developed rapidly, the exchange rate became increasingly overvalued and crisis management became the order of the day with little attention to medium and longer term needs of the country.

An IMF and World Bank supported Economic Rehabilitation Programme (ERP) was begun in 1987 to counteract this catastrophic economic situation. The ERP was in spite of Mozambique's special circumstances and the need to finance the war effort fairly typical in design, and the same accounts for the subsequent inclusion of a social dimension from 1989, where the reform effort was renamed the Economic and Social Rehabilitation Programme (ESRP). Thus, focus has been on (i) macroeconomic attempts to stabilize the economy, (ii) liberalization through a reduction in centralized administrative controls and an increased use of indirect price and credit policies, rather than direct administrative intervention in the allocative process, and (iii) a process of privatization.

Assessments of the degree of success of the reform effort vary, but the overall macroeconomic and social situation in Mozambique remains as pointed out above precarious. Hence, while the

rural population is now in a process of resettlement and outright hunger appears to have ended, absolute poverty and malnutrition prevail. The average caloric intake is, for example, less than 77% of the estimated daily requirement, and also other social indicators are substantially worse than the averages for Sub-Saharan Africa (SSA). A preliminary poverty profile is available, and more detailed assessments of the depth and nature of rural and urban poverty are in the process of being carried out by the government with donor support.

The necessary data to establish a gender specific poverty profile are not, however, available as yet. Nonetheless, it can safely be predicted on the basis of information of a more qualitative nature that women and children are among those hardest hit by the economic crisis. Traditional society, in both the matrilinear societies in the North and the patrilinear societies in the South clearly subordinates a woman to male family members. Even during prolonged absence of the male head of a household, women are restricted in their independence and ability to control resources. Thus, traditional values, which relegate women a secondary role as subordinated to men, are certainly prevalent in all regions of Mozambique, and peasant women continue in general to be kept out of development activities.

As regards up-to-date macroeconomic indicators, it is characteristic that gross national savings as a share of GDP at current market prices was negative until 1992. It would appear that savings have picked up recently, but they remain very low, and aid inflows continue to account for very substantial shares of imports and the public budget, illustrated by the fact that the resource balance as a share of GDP is estimated at -43.0% for 1995. The rate of inflation has according to the 1996 economic and social plan of the government been estimated at 34% for 1995 as a whole, and the government budget deficit before grants is around 20%. After grants the 1995 deficit was approximately 5.6% of GDP. Total external debt is about US\$ 5.5 billion, or 3.7 times GDP, and foreign debt service, including interest and debt repayments accounted for almost 20% of the total government recurrent and capital budget in 1995. Hence, government has to address the pressing social and economic needs under severe budgetary constraints, so the *prima facie* case for foreign assistance is evident.

The need for streamlining the public sector, with a view to increasing transparency, efficiency in resource use, effective governance and popular participation in political decision making at all levels is also widely recognized. A policy of decentralization, which will gradually shift

administrative and financial management authority toward provincial and local governments, is pursued, and a civil service reform is under preparation. Privatization is moving ahead faster than agreed with the World Bank, and subsidies to state-owned enterprises have been cut back drastically. Moreover, the structure of public expenditures has in recent years been oriented more towards social sector needs, reflecting a simultaneous decrease in the share of security and defence. Yet, this spending category is in 1996 still planned to account for 23% of recurrent public expenditures (or 4.3% of GDP) as compared to 39% in 1991.

Imbalances also exist in the sense that public investment in agriculture amounts to only 10% of the total investment budget registered in the 1996-98 Three Year Public Investment Plan (PTIP). This is small relative to the critically important role of the sector in the development process and its present contribution to GDP, employment and exports. A fiscal management review, which has just been completed with the World Bank and a number of bilateral donors including Denmark, will hopefully provide further stimulus to analysing inter- and intra-sectoral allocations of expenditure and efforts aimed at furthering the public sector reform process. The existing Budget Working Group with a number of donors that meet regularly with the Vice-Minister of Finance could play a useful role in this context and help government carry forward the work of the expenditure review mission.

Specific issues to be addressed in the above exercise not only include the allocation of expenditure but also topics such as the budget preparation system, financial controls as well as project and aid management. They are therefore highly relevant to the implementation of Danish SPS, and should in large measure help guide decisions on appropriate SPS management and organisation as well as the accounting and auditing procedures referred to in Sections 11 and 13.

3. THE SECTOR

Agriculture is by far the most important economic sector in Mozambique. It accounts for 45% of the officially recorded GDP, and this is, in reality, probably an underestimate, as much of the available national accounts data are inaccurate and internally inconsistent. Moreover, agriculture employs at least 80% of the labour force (of whom more than 60% are women) and generates most of Mozambique's registered and unregistered export earnings.

The agriculture sector also has strong forward and backward linkages with the transport, services and manufacturing sectors, and finally has the largest number of people below the poverty line. Some 90% of Mozambique's poor households are rural or were displaced from rural areas by the war. Consequently, fundamental national development goals such as food security at national, provincial and household levels, sustainable economic development, lower levels of unemployment, poverty reduction, the consolidation of democracy and improved governance will be unattainable without progress in the agriculture sector. Fortunately, Mozambique is well endowed with agricultural land of reasonable quality, particularly in the north and centre of the country, and less than one-third of the cultivable area is being cropped. Moreover, while rainfall varies and is very erratic in some regions, there are ample surface water resources. Hence, the potential for long run development exists, provided necessary investments are made alongside the establishment of an enabling policy environment for private sector activities.

At present the predominant part of the agricultural area (95%) is cultivated by the small peasant sector, comprising 2.8 million family units, who cultivate an average farm of one hectare. Major food crops include cassava, maize, sorghum, rice, groundnuts, beans and vegetables, whereas cashew, cotton, copra and mafurra for the soap industry are the most important cash crops. The remaining 5% of the farm land is used by commercial private farms, a few remaining state farms, and a number of joint ventures, such as Lomaco. Cotton, citrus, sugar, tea and sisal are important commercial crops to which can be added poles and other wood products, tobacco and tomatoes. Livestock production is undertaken by both the small peasant and commercial producers, but the annual production is relatively limited amounting to an estimated total of less than 245 thousand tons in 1995.

3.1 Sector Objectives, Policies, Plans and Activities

During 1995, the Ministry of Agriculture and Fisheries (MAF) prepared a key document delineating the agricultural policy of the new government. The proposal was approved by the Council of Ministers in October 1995, and provides an outline of relevant background, basic sector objectives and an identification of the specific policies to be pursued in the coming years. The overriding long run development objective of the agricultural sector is to integrate subsistence peasants with the rest of the economy and gradually transform them into modern commercial farmers. Particular attention will in the short and medium term therefore be paid to the need for selfsufficiency in food as well as to the supply of inputs to the processing industry and a recovery of agricultural export earnings.

In addition, programmes and activities in the agricultural sector must observe a series of fundamental principles geared towards the sustainable use of natural resources. It is explicitly recognized that local populations must be actively involved in resource management and the search for ways of increasing agricultural production and productivity. The establishment of infrastructure, provision of services and the promotion of public and private investment are seen as critical initiatives, and the same accounts for the development of effective institutions and the training of people at all levels. The important role of women both as producers and agents of development is explicitly recognized, and the need for seeing agricultural initiatives in concert with other activities in health and education is carefully acknowledged.

The government document is formulated in rather broad terms, and difficult trade-offs such as the balance between production for export and local consumption are not addressed directly. Thus, it is not an operational blue-print. Nevertheless, the document does provide an outline, which can serve as a starting point for defining a National Sector Programme (NSP). Crucial components of such a document are also contained in the sections, in which the government specifies in greater detail how sustainability and the expansion of the productive capacity of small scale family farmers are to be promoted. The general approach in this context can be characterized as a multi-pronged attack on all the following six fronts: (i) incentives, (ii) inputs, (iii) innovation (i.e., technology, including a variety of research activities), (iv) information (i.e., the diffusion of technology through extension), (v) infrastructure, and (vi) institutions (i.e., credit institutions, marketing and access to land). These six i's (or instruments), which are often characterized as a mnemonic framework for agricultural policy, therefore all form part of the government strategy for agricultural development.

The government is well aware that a consolidated action plan for agricultural development requires a greater degree of specificity and a more precise identification of priority sub-sector investment programmes and activities, which are affordable given overall financing and absorptive constraints. It is for this reason that MAF has engaged itself over the past year in an ambitious planning exercise with the assistance of FAO, UNDP and the World Bank. This process, which grew out of the so-called Pre-Programme for Agriculture (PPA) implemented from 1993 to the end of 1995, is to lead to the formulation of a fully fledged National Sector Programme (NSP) for agricultural and fisheries development (PROAP) during the second half of 1996.

Nine major areas of activity are identified in PROAP, which, excluding fisheries, is referred to as PROAGRI. The eight areas in PROAGRI for which sub-sector strategy papers and investment programmes are in the process of being prepared by a series of working groups supported by donor funded consultants include:

- (i) *Land tenure*: most of the analytical work is being carried out with FAO assistance, and Dutch funding has been assured in relation to follow-up activities.

(ii) *Budget*: the budget working group is to consider a thorough budget reform with World Bank assistance.

(iii) *Institutional issues*: the working group will consider a wide range of questions regarding institutional reforms required to enable MAF to carry out its new role in the rapidly changing national economic context. World Bank assistance is relied upon.

(iv) *Research*: this programme will draw on the 1993 INIA (National Institute of Agricultural Research) medium-term strategy and plan, which was developed with assistance from the International Service for National Agricultural Research (ISNAR). Further help from ISNAR is underway, but what is aspired at is a research programme covering crops as well as research in other areas such as livestock.

(v) *Extension*: will rely on the 1995 DNDR (National Directorate for Rural Development) master plan covering the period 1995-2000. UNDP/FAO technical advisory inputs are involved.

(vi) *Livestock*: FAO/World Bank assistance has been used to convert a 1994 sub-sector study implemented by DINAP (National Directorate for Livestock) with support from IFAD into a strategy.

(vii) *Forestry and wildlife*: UNDP/FAO inputs are used to improve the 1995 sub-sector study of DNFFB (National Directorate of Forestry and Wildlife).

(viii) *Rural financing system*: a variety of studies on rural credit and financing are underway, in part with World Bank and FAO assistance.

Irrigation originally formed part of the above package with World Bank assistance, but this sub-sector is not assigned priority at this stage.

The PROAGRI process is coordinated directly by one of the two Vice-ministers. She is assisted by an Executive Secretariat under the responsibility of the Directorate of Economics (DEA), where a new director was appointed in early 1996.

The various sub-sector components of the emerging PROAGRI have been in different stages of finalization. Yet, a global synthesis (i.e., an NSP), containing a set of objectives, strategies and policies as well as an overall investment programme should as already noted be ready during the second half of 1996, when the external funding component for PROAP elapses. Delays may be hard to avoid, but the PROAGRI process has generated momentum, and the identification of possible future programme components is so advanced that donors such as Denmark are well advised to intensify their planning efforts in a concerted manner with a view to how they can support this overall government sector programme. This is so, in particular, since the PROAGRI will also include an assessment of the external assistance required.

While a detailed appraisal of the PROAGRI/NSP cannot be carried out at this stage it is nevertheless clear that the government focus on facilitating agricultural growth in rural areas is well suited to provide gradually a livelihood for the poorest part of the population and reintegrate displaced people and demobilized soldiers. Small-scale agriculture is a potential high growth sector. Moreover, it would appear that the government strategy to alleviate poverty will also take due account of dimensions such as human resource development through the provision of basic education and health related services to improve productivity and the quality of life. In other words, the combination of (i) agricultural activities, (ii) infrastructural development, and (iii) investments in human capital does come across in general as an appropriate set of priorities in a well thought out poverty reducing strategy aimed at improving rural livelihoods.

On the other hand, gender-specific sector policy elements appear somewhat scattered in the various documents available. It would therefore seem that further work is required to integrate and elaborate on this dimension in a more transparent and convincing manner in the planning and implementation process. Particular attention should in accordance with Danish aid policies, set out in Section 4, be paid to ensuring that future programme activities help redress existing

gender imbalances. This should be feasible in Mozambique, since the overall goal of greater equality between men and women is not in question *per se*, even if actual practices are far from this ideal.

With regard to the environment, the most apparent problems are at present localized in the transport corridors as well as other safe areas along the coast and in peri-urban areas where displaced people concentrated during the war. The most affected provinces are undoubtedly Zambezia, Sofala and Maputo, and in some areas the tree cover has been completely removed giving rise to risks of soil loss in the rainy season. In these three provinces the more common problems of unsafe water, inadequate sanitation and wildlife depletion are also severe. Yet, people have been resettling during the past couple of years, and this will at least for some time take off part of the pressure on the environment. In this context it can be recalled that land is in general relatively abundant.

Environmental problems arising from shifting cultivation practised in the north of Mozambique cannot be expected to cause serious problems in the immediate future. Yet, in the southern provinces of Maputo, Gaza and Inhambane land is insufficient and the rainfall erratic. There is therefore a need to modify traditional farming and logging practices relatively quickly here to avoid further environmental degradation, and the same accounts in general for the management of Mozambique's forest resources and wildlife population. A particular severe difficulty related to the decline of these resources is that Mozambique's rich biodiversity is under severe threat and some precious natural habitats and species are in danger of extinction.

In a medium term perspective, it has to be recognized that the linkages between the environment and poverty in rural areas are complex. Poverty contributes to environmental degradation and *vice versa*. The government is well aware of this, and has also committed itself to a goal of sustainable development. Yet, government capacity to enforce controls over access and use of natural resources is rather limited. Policies such as user rights and the involvement of local people are therefore being supported within the framework of the National Environmental Management Programme (PNGA), which was elaborated in 1994 to guide medium term programmes and sectoral plans. It can also be noted that a National Commission for the Environment (CNA) was created in 1992. CNA chairs an advisory council of government

bodies which impact on environmental issues, including MAF and the Ministry for the Coordination of Environmental Action (MICOA).

3.2 Sector Set-up and Stakeholders

The Ministry of Agriculture and Fisheries (MAF), which is responsible for overall agricultural and fisheries development in Mozambique, is headed by the Minister and two Vice-Ministers. They are assisted in their work by a number of collective policy making and technical bodies, and at central level there are national directorates, which define policies and programmes, for rural extension (DNDR), crops (DINA), livestock (DINAP), forestry and wildlife (DNFFB), fisheries (DNP) geography and cadastre (DINAGECA), agricultural hydraulics (DNHA) and human resources (DNRH). In addition, there is an economics directorate (DEA) and two departments for international cooperation (DNCI) and administration and finances (DAF) plus the office of the Minister.

A number of autonomous national institutes, which are responsible for research, also form part of the institutional set-up. Excluding institutions in the fisheries sub-sector, they include INIA (food crops and resource inventories, surveys and evaluations), IPA (animal production), INIVE (veterinary research), IAM (cotton) and INA (sugar). There is also an agricultural training centre (CFA), which is the leading non-formal training institution for rural development and other similar activities, and various other units such as a documentation and information centre (CDA) and an inspection office. The Department of Plant Protection (DSV) and the National Seed Service (SNS) under DINA have over the years received Danida support.

At local level MAF has provincial directorates of agriculture and fisheries (DPA) in all of the 10 provinces and district directorates (DDA) in the 128 districts. These are responsible for planning, implementing and monitoring programmes and projects in coordination with other provincial and district authorities. Sub-sector staff are subject to double sub-ordination, answering to both the Provincial Director, who is member of the Provincial Council, headed by the Governor, and the relevant national directorate.

Other institutional actors dealing with agricultural sector issues include the Rural Development Institute (INDER). INDER was established in 1990 to develop a broad approach to rural development, including social and other sectoral concerns alongside agricultural development, which is in focus here. INDER functions as a coordinator of the line ministries involved in rural development, and has played a major role in involving NGOs in field level activities. The number of foreign NGOs that have been involved in Mozambique is considerable as further discussed in Section 3.3 below. Most have focused on emergency assistance while a smaller number including Ibis have maintained a distinct development perspective in their operations.

Another institution involved in the agriculture sector is the Cereals Institute of Mozambique (ICM). ICM has taken over the staff and physical assets of Agricom, the previous parastatal responsible for agricultural marketing. The future of ICM is uncertain, however, as considerable restructuring is necessary. Some donors have voiced suggestions that ICM should be completely abolished and its assets sold to private traders.

During the war most private shops in the interior were destroyed or damaged, so private traders generally moved to district or provincial capitals. A few continued to service rural areas, but the majority had no transport, so the number of rural traders remains limited as has, in fact, been the case ever since the exodus of the mainly Portuguese ‘cantineiros’ at the time of Mozambique’s independence. There is some evidence that new itinerant traders (i.e., the so-called ‘ambulantes’) are starting to enter the market for food crops. Market characteristics continue, however, to be fundamentally different from those assumed in economic models of perfect competition.

It can also be observed that some industrial and export crops including sugar, tea and citrus are produced on a small number of large estates, whereas peasants produce most cotton, copra and all cashew nuts. This results in a variety of marketing arrangements for these crops. In cotton three multinational companies, Lonhro, Entrepoto and João Ferreira dos Santos run large cotton out grower systems as joint ventures with the government. Smaller local traders purchase cashew nuts from farmers, and sell them to the new emerging, and apparently very influential, private processors or larger traders.

When it comes to agricultural inputs, NGOs have over the past years played a significant role in non-commercial distribution of tools and seeds to peasant farmers under a variety of emergency programmes, coordinated by the Emergency Seeds and Tools Programme (PESU) based in DINA. However, this situation is bound to change, as peace implies that attention will have to be paid to the need for returning to more normal trading and distribution practices. In this context, private traders will no doubt be relied upon in future since there is no longer a general government presence in the commercial input supply market in line with the economic reform programme. Government remains, however, a majority shareholder in the Swedish supported seed company SEMOC, which is an important producer, importer and distributor of improved seeds.

The last group of stakeholders, besides of course the many millions of small peasant producers, to which reference will be made here are the agencies involved with banking, financing and credit. In this regard it can first of all be noted that financial sector reforms have been an integral element of the ongoing economic reform process. Major measures already implemented include the restructuring of the Bank of Mozambique (BM), which functions as central bank. Previously it also undertook commercial operations but they are now placed separately under the Commercial Bank of Mozambique (BCM). In addition there are the People's Development Bank (BPD), which deals in principle with rural credit, and a limited number of private banks.

Little credit reaches family households through the above institutions, which mainly serve the formal sector, including agro-business and export companies. Hence, most of the financial resources, which actually reach peasant farmers, come through (i) informal channels, which were severely affected by the war, (ii) the marketing network, consisting of general stores, ICM and private rural traders, or (iii) donor funded activities generally involving NGOs providing a combination of extension and credit services.

Various development funds such as the Agricultural Fund for Rural Development (FFADR) and the Fund for Irrigation Development (FFDHA) also exist. Their operations, financed *inter alia* by counterpart funds originating from import support programmes, have to a major extent been focused on the payment of salaries to extension staff of the Ministry of Agriculture and Fisheries. These funds have not, therefore, so far played any significant role in extending credit

to small farmers, and while they would like to move into this field of activity it is not quite clear how this is to happen in practice. Transaction costs involved in extending small farmer loans are high, so alternative or at least supplementary credit schemes for peasant farmers must be developed based in part on the more informal institutions listed above.

On the other hand, FFADR and FFDHA could in the future possibly play a useful role as part of a system for channelling financial resources to intermediary level actors in direct contact with household families and other users of small scale rural credit. A similar function could also be performed by specialized branches under, for example, the BDP or some of the other banks. Yet, plans in this regard are rather unclear at present, and the BPD network of some 60 branches is in a poor state of maintenance. It has, moreover, recently been decided that the BPD will be privatized.

3.3 Donor Supported Activities and Assistance Coordination

There are more than 50 bilateral and multilateral organizations and 70 international NGOs operating in Mozambique at present, and foreign aid accounts for about two-thirds of the government budget. Total annual aid receipts can be estimated at around US\$ 65 *per capita*. This is about double the average for southern Africa as a whole, and the pronounced aid dependency is put further into perspective by recalling that annual GNP *per capita* is US\$ 80. Towards the end of the war the estimated number of foreign actors was higher, but since 1992 a sizeable share of the emergency and humanitarian relief donors have left. Those remaining are now in a process of trying to reorient their activities more towards developmental goals.

No up-to-date UNDP development cooperation report is available. Yet, in 1992 there were more than 180 projects operating in the agricultural sector, and bilateral and multilateral aid accounted in 1991 for respectively 64% and 31% of total official development assistance (ODA) flows. NGOs provided the remaining 5-6%. Moreover, based on information contained in the last UNDP report and the three-yearly annual investment programme (PTIP) of the government it is clear that important bilateral and multilateral donors in the agricultural sector include Sweden, Italy, the World Bank/IDA, Denmark and the EU. Yet, also a number of other European countries, USAID, the ADB, IFAD as well as UN agencies such as UNDP, FAO and

UNICEF are active. It is underlined, however, that a drastic drop in foreign funding of the agricultural sector took place in 1995, and disbursement rates of World Bank loans are at a critically low level.

The following selective summary cover the more recent and ongoing activities of official bilateral and multilateral donors in agriculture and rural development in Mozambique, which should be kept in mind when designing a future Danish SPS.

(i) *Sweden*: a variety of projects, including massive support to the import of seeds and tools under the so-called PESU programme, and institutional backing to the seed company SEMOC, DINAGECA and DEA. Sweden is presently reconsidering its position due to implementation problems related to the tools component of the PESU programme, but future plans will undoubtedly include SEMOC and DINAGECA and also assistance to agricultural research is a potential area of interest. The same accounts for rural development and trade at district level.

(ii) *Italy*: traditionally Italy has been involved in a number of agricultural/livestock projects in the southern provinces and some major infrastructural activities in the field of irrigation. Italian assistance to the agricultural sector has, however, been drastically reduced.

(iii) *World Bank/IDA*: assistance from the World Bank/IDA in the agricultural sector has in recent years been provided under three credits for rural rehabilitation, agricultural services and the preparation of the national investment programme for agriculture. Field level activities have, mostly, been implemented in the northern and southern regions, and the cashew and cotton sectors have since the late 1980s been a particular focus. The World Bank has, in addition, played a significant role in for example the privatisation of former state companies. Interest has within the context of PROAP *inter alia* been expressed in supporting agricultural research, extension, land issues and rural credit. It can in this regard be noted that the government has indicated that loan funds will in future be considered residual and only relied upon to the extent that bilateral funding cannot be identified.

(iv) *EU*: the European Union has supported rural development in Gaza, Manica and Cabo Delgado, the cotton sector in Nampula, the import of agricultural inputs, livestock

rehabilitation, early warning and food security and a variety of rural works programmes in Sofala and Zambezia. Little information is, however, available on future plans.

(v) *The Netherlands*: coherent assistance has for many years been provided to the soils department of INIA. This project is, however, being phased out. Yet, sizeable new programmes are underway to support the forestry sector and environmental initiatives. The Netherlands has also supported with funding through multilateral organisations and is presently experimenting with some interesting input supply activities geared towards the promotion of food security at household level in southern Mozambique.

(vi) *Germany*: assistance has been provided to agricultural development in Sofala and Manica through GTZ, including agricultural services, institutional support and rural roads. Indications are that this support will be continued but not expanded.

(vii) *United Kingdom*: support to the province of Zambezia is being channelled through NGOs and the DPA, and British assistance has not played a major role.

(viii) *France*: French cooperation has been concentrated in Chokwe in the province of Gaza and the rehabilitation of small infrastructures in Cabo Delgado, Nampula and Zambezia, and it does not appear that any expansion is underway.

(ix) *USAID*: American support has in an outspoken and direct manner been focused on fostering an expanded role for the private sector in Mozambique. This has been interpreted as meaning a smaller state, and a critical perspective has been maintained throughout in relation to the role and importance of the public sector. Activities have focused on the supply of food aid, infrastructure, a variety of grass roots interventions and support to reforms in agriculture marketing and pricing policy as well as land tenure. Future support in the agricultural sector will focus on facilitating an increase in private rural household incomes with targeted areas including the maize-based cropping areas from the Beira corridor (parts of northern Sofala and northern Manica), Zambezia and Nampula provinces and the cashew producing areas of the coastal regions of Sofala, Inhambane and Gaza.

(x) *ADB*: loans from this source have been relied on for the rehabilitation of the cashew sector in Nampula, input supplies, livestock and forestry initiatives and assistance to the green zones. Other relevant activities include infrastructural works for the sugar industry, rural works in Manica and rehabilitation of the Massingir Dam. To the extent that loan funds will become residual ADB loans may become of less importance in the future in Mozambique.

(xi) *IFAD*: this fund has been involved through IDA in supplying agricultural inputs nationwide, and IFAD is now involved in rural development efforts in Niassa. It is also understood that IFAD is considering a major livestock sector involvement in the southern provinces, but plans are still at the identification stage.

(xii) *The United Nations*: the UN has over the years had a major and important presence in Mozambique. More recently, this has been so in relation to the democratic elections and the demobilization of former Frelimo and Renamo soldiers, and until the mid-1980s the number of FAO advisers was in several years above 100. UNICEF has also provided support to agricultural and rural development through INDER and to some extent to CFA. It can also be recalled that the UNDP and FAO took an active role in helping MAF efforts related to the planning and implementation of the Pre-Programme, which preceded the ongoing PROAP. The future role of UNDP and FAO is likely to focus on the overall policy advisory level, but subject to institutional reforms of the FAO, donors are well advised to keep the option of using this institution as a implementing agency open.

Information on the NGO sector is rather dispersed, although DNDR maintains a very useful inventory of rural extension activities from which it appears that the above 1991 share of 5-6% of total ODA is an under-estimate. Yet, with a view to the future it is relevant that a major share of NGO support has been in the form of humanitarian rather than development aid. The Danish NOG Ibis, which has supported the development of the province of Zambezia, is however an example that there are exceptions to this. Mozambican authorities have expressed great satisfaction with the work carried out by Ibis as has been the case for the bilateral Danida activities in the province of Tete.

On the other hand, multiplicity and fragmentation of efforts have in general been characteristic in foreign aid activities in Mozambique during the past decade, and donors have at times worked at cross-purposes with each other. Thus, assistance has to date been largely *ad hoc* and piecemeal, focussing on donor-driven individual projects and the establishment of parallel structures, rather than on the development of the agricultural sector a large. There is therefore a pronounced need for a coordinated approach to agricultural development in accordance with the principles underlying the SPS concept. It is in this regard encouraging that some improvement has taken place in recent years. The Priority Districts Programme (PDP) formulated in 1989 was a first attempt in the direction of formulating and implementing a demand-pulled investment strategy. The programme was coordinated by INDER and obtained widespread support from donors. Secondly, the Pre-Programme (PPA) already referred to above is another indication that greater aid-coordination is underway. Originally initiated by MAF with UNDP/FAO support, it soon captured the interest of the World Bank/IDA, and these three foreign agencies have played the key funding and technical assistance role in the PROAP process. As such they are also firmly committed to helping ensure the successful formulation of a sector-wide investment plan.

Nevertheless, the PPA/PROAP process has also had its shortcomings. Bilateral donors, including Denmark, remained largely outside this framework until early 1996. Moreover, the sector working group on agriculture established in the late 1980s as part of an agreement between the donors and the Ministry of Finance has been inoperative for several years in contrast to what has been the case in the health sector where coordination has been more effective. The above situation does not seem to be a result of purposeful design, and MAF is fully aware of the need to keep bilateral donors in the dialogue. It is consequently encouraging that MAF in late 1995 suggested that FAO functions as focal point and secretariat for the re-establishment of regular aid coordination group meetings and has followed-up accordingly.

The aid-coordinating role of the donor meetings is to enable a regular flow of information between donors and MAF by providing a good structure for a policy dialogue between MAF and the donors. FAO has moreover suggested that general meetings be held 2-4 times per year with the possibility of having sub-sector meetings more often. This initiative is pertinent and it may well turn out to be an effective instrument in helping government coordination of donor

activities, in particular once PROAP is ready. Hence, it is recommended that Danida supports this move towards greater coordination. This is so, in particular, since MAF is quite clearly not in favour of having this function exercised by a more prominent lead donor such as the World Bank, even if it is understood that at least some staff members of the World Bank are very keen to assume this role.

With reference to the NGOs, the independent NGO forum LINK with more than 50 international and 20 local NGOs has provided a new structure for increased coordination between international and national NGOs, bilateral and multilateral agencies and the government. Originally, LINK focused on regional level coordination, and it is still too early to assess whether LINK will be effective in its new role. Yet, the need for this activity is obvious. At provincial level coordination among the various foreign actors tends to be more straightforward. There is, however, a definite need for reinforcing the overall coordinating role of the provincial governments. This include in particular the Provincial Directorates of Agriculture and Fisheries (DPAs), which have in many cases not been in a position to provide adequate guidance and monitor the activities of NGO as well as bi- and multilateral donor agencies.

3.4 Obstacles, Problems and Barriers

Although the long run growth potential of Mozambique is promising, the list of constraints to be overcome in order to get on a stable development path is a long and troublesome one. Mozambique is the poorest country in the world and the economy is ravaged by war and economic management problems. Refugees and displaced people and demobilized soldiers are being quickly reintegrated. Yet, most of the rural and commercial infrastructure is in ruins, and the recovery of production for domestic consumption and export is bound to be difficult. Financial resources are extremely scarce, and while debt cancellation has reduced the external dependence somewhat, the existing debt burden has serious long term implications for Mozambique's development efforts.

Structural problems in resource allocation among sectors are also difficult to handle, and population growth remains high. Finally, the lack of skilled personnel is a severely binding constraint, and the same accounts for the widespread institutional and organizational

weaknesses in both the public and private sectors, which stem from lack of trained staff in combination with inappropriate management systems in the past. The inability of the public sector to reestablish a stimulating incentive framework for public sector employees in the presence of better paid jobs in the private sector and donor funded projects is one important dimension of this problem.

In sum, it will take many years to generate enough wealth in Mozambique to (i) realize a real break through in terms of social indicators, (ii) put an end to absolute poverty, and (iii) achieve the objective of food security at national, provincial and household levels. In addition to the overwhelming need for reactivating production, some of the more specific manifestations of the problems to be faced with reference to the smallholder agricultural sector are (i) very few trained people, (ii) poorly defined land rights and (iii) the fact that peasants lack access to inputs, agricultural services, such as extension and credit and well functioning market outlets for their output. Moreover, plant disease and pest problems create severe uncertainty and crop storage and food conservation techniques are inadequate, causing significant post-harvest losses. The system of feeder roads in rural areas is totally deficient and the same goes for small scale irrigation and drainage systems for peasant farmers, rural warehouses and shops. In a wider institutional context it can be noted that self employment schemes, farmers' associations and community groups are few and far between, so the general level of social organisation of the small farmer sector is, indeed, very low.

The above weaknesses are put further into perspective, when it is recalled that the current national level administrative and planning system in Mozambique was designed for centralized control of the state sector. This sector was particularly focused on supplying urban areas with food and enhancing production for export markets, so research and extension as well as marketing services focused on small farmers' needs and problems have remained totally inadequate. In other words, institutional and agricultural delivery structures are highly compartmentalized, mistargeted and unsatisfactory given the renewed emphasis on the family sector, which was already in 1983 identified by the ruling party Frelimo as absolutely critical for the development of Mozambique.

Finally, not only central level institutions but also provincial and district administrations are poorly organized and equipped in terms of skilled human, transport, capital and operational

resources to provide the infrastructure, services and inputs required by the family sector. The DPAs have little planning, financial and administrative authority and therefore as noted above little capacity to impact and guide development at provincial and district level. This constraint is critical and must be taken due account of in the formulation and implementation of area based development activities over the coming years.

4. DANIDA POLICIES

The overall objective of Danish aid policy is poverty alleviation among the poorest groups of the population. The major share of Danida's assistance goes to a number of programme countries, and the criteria for choosing these cooperating partners include (i) the stage of economic and social development and existing needs, (ii) absorptive capacity, (iii) possibilities for a dialogue with the recipient government about durable improvements in the conditions of the poorest groups of people, (iv) possibilities for furthering the respect for human rights, (v) the viability of promoting women's participation and role in the development process, and (vi) Danida's experiences from previous bilateral cooperation. The potential involvement of Danish suppliers and commercial interests is also considered if these six key criteria are fulfilled.

In accordance with the above, the promotion of sustainable and equitable economic growth, the development of social sectors and human resources, popular participation and good governance are perceived as critical measures needed to achieve the fundamental goal of poverty alleviation. Moreover, lasting solutions to poverty require within Danida's conceptual framework that policies pursued are gender specific, based on sustainable use of natural resources and promote the integration of economic participation of poor men and women in society.

It is for the above reasons that Denmark has agreed to concentrate its support to the development efforts of Mozambique during the period 1995-99 on smallholder farmers, semi-industrial fisheries, social sectors with an emphasis on primary health, and primary education and infrastructural investments. The recently approved country strategy for Mozambique referred to in Section 1 in addition specifies that the modalities of Danish support will be revised so as to become in accordance with the principles underlying the concept of sector programme support. The SPS notion forms as pointed out part of the core of the general strategy for Danish development policy elaborated in 1994, which called for a change in focus from project aid to support to government prepared sector programmes. Hence, the new approach is broader and more flexible in scope and aims at ensuring that local authorities take greater ownership of foreign aid relations and assumes full accountability for the planning, implementation, monitoring and evaluation of Danish assistance.

The SPS strategy signals, in other words, an important shift in emphasis, and takes a stronger interest in the managerial, institutional and financial process aspects, necessary to achieve relevant and sustainable results, than was the case with the project approach. Such a change is particularly desirable in the case of Mozambique due to her dependence on an extremely fragmented inflow of aid resources, and the unfortunate, but widespread, practice of establishing parallel structures for the implementation of aid activities. Moreover, Denmark is in Mozambique well placed to help pursue the guidelines, which form the core of the SPS strategy.

Danida has gained valuable experience from the implementation of previous cooperation activities in the province of Tete, and insights obtained from the activities of Ibis in the province of Zambezia are also highly relevant. The same accounts for the by now considerable number of Danish advisers and others, who form part of Danida's external resource base. The need to have some command of Portuguese (or at least Spanish) is still a constraint on the number of candidates available to work in Mozambique, so a continuation of the policy of providing language training is required. It is helpful, however, that Mozambique approaches the language issue in a pragmatic manner, illustrated by the fact that high level policy makers are willing to communicate in English whenever this is more productive. Finally, Danida could help foster links with Danish institutions, dealing with agricultural research, extension and regulatory services, in a way which would ensure an institutionalized and professional system of back-up to the development process in Mozambique.

5. STRATEGIC CHOICES AND RISK ASSESSMENT

Mozambique is as discussed in Section 3 facing a complex and overwhelming set of development constraints. The country is emerging out of a devastating war and has committed itself to pursuing and intensifying a wide ranging set of economic reforms. A broad and all-encompassing set of development activities are therefore required. Consequently, development support by a donor such as Denmark can be composed in a variety of ways using many different aid modalities. The strategic thrust of the SPS proposed here is the fostering of a poverty reducing pattern of growth, which will at the same time promote food security and a sense of national ownership and accountability.

It is suggested that the above goals can be achieved through a consolidated programme consisting of two province-based development sub-programmes linked together with a set (or a sub-programme) of mutually reinforcing activities in support of national-level institutions and services. Further details are provided in Section 5.1 below, but it is relevant to note here that the three sub-components can be approved separately if this proves convenient for administrative or other reasons. This is in any case so for the Danish Ibis/NGO, which follows procedures, which are distinct from those covering Danida bilateral support. It can, moreover, be observed that detailed documents for the individual programme support projects, necessary to reach the immediate objectives specified in Section 6, will be elaborated in due course and attached to this SPS document as annexes. A summary of the programme support projects will in addition be included in Section 7.

5.1 Options Considered

The reform programme underway in Mozambique has so far put considerable stress on the need for macroeconomic stability in combination with widespread liberalisation and privatisation to promote structural adjustment. The merits of the approach followed are being actively debated in Mozambique, and assessments vary. Thus, Danida could consider supporting efforts targeted at reinforcing private commercial activity along the lines pursued by for example USAID. Similarly, emphasis could be put on reestablishing formal sector farms and marketing networks geared at urban food supply and export markets. This is not, however, the option proposed for

Danida to follow, although needed action in these areas should not and is not being ignored. Hence, what is suggested is that Danida SPS assistance focus instead on the urgent and at the same time long term need for (i) supporting in a concerted and direct way poor peasants in three provinces in central Mozambique so they gain access to a wide range of improved technology and agricultural services, in combination with efforts aiming at (ii) strengthening the capacity of the government to manage effectively its strategic role in furthering the development process at national, provincial and local levels.

The direct support to poor peasants is obviously related to the end goal of development, namely the alleviation of poverty, and as regards the latter focal point, it can be reiterated that the capacity of the Mozambican government has been dangerously undermined by lack of human and financial resources in combination with inept policy choices of the past. Nevertheless, the solution to this dilemma does not reside in closing down the state, as some observers seem to imply. What is required is that the government is assisted in a balanced way in reforming and reorienting its activities, so they become appropriate to support family sector development within the framework of a gradually evolving market economy system.

In the present context of Mozambique, there is a distinct danger that development will end up loop-sided if attention is not paid to the crucial role of the public sector alongside that of private agents. Moreover, it should not be overlooked that Mozambique is very far from having well functioning markets and institutional delivery systems, characterized by equal access for all. These mechanisms are instead seriously deficient, suffering as well from high transactions and information costs, not to mention the wide range of institutions that simply do not exist as yet. To rely on the private sector to rectify all of this would be a mistake, since there are many activities and goals which can only be performed and achieved through efficient government action.

In more specific terms, it is based on the findings of the policy-level assessment mission concluded that Danish SPS should: (i) consolidate and expand field-level, peasant focused development activities in a selected number of districts in the province of Tete, (ii) initiate programme support in one more province similar to that provided in Tete, and (iii) link area-based sub-programmes with institutional support to national level MAF structures

responsible for applied research, extension and training as well as other agricultural planning, support and regulatory services. It is underlined that support to national level MAF structures should be designed so as to help promote the establishment of the necessary enabling environment for private sector activity at provincial level, and the overall emphasis of the SPS should no doubt be on the area-based activities in the provinces.

The justification for the above suggestions is elaborated further in what follows below, but it is relevant to note here that it was considered to include support to marketing and rural credit programmes at national level as well. However, it appears that government policies in these two areas need to be further developed and consolidated before such support merits further attention. Accordingly, it is for the time being proposed that any support to marketing and credit is included in the provincial programmes as integrated elements of the assistance to rural peasants. Thus, activities in this area should be identified and implemented with reference to specific districts and groups of people as is the case for support to farmers' associations and similar local institutions.

5.2 Justification for Strategic Choice

Increased agricultural production is as explained in Section 3 a first and fundamental precondition for alleviating poverty in Mozambique. Moreover, the poor are mainly concentrated in rural areas, where also the suffering among women and children is particularly acute. Focusing Danida assistance as suggested is therefore a direct and most appropriate way of (i) channelling resources and providing opportunities to the poorest segments of society, (ii) promoting popular participation in the development process, and (iii) ensuring that the potential of a high potential growth sector is mobilized. Nevertheless, redressing the existing imbalances between men and women will in addition require that specific measures are identified and taken within all of the sub-programmes so as to help women farmers and female headed households get equal or even preferential access to inputs, training, services and employment. Finally, combatting poverty is also the most effective way of protecting the environment in Mozambique, which still holds sufficient amounts of agricultural land.

Danida assistance to the agricultural sector in Mozambique has so far concentrated on Danida bilateral aid to Tete, Ibis support in Zambezia and three bilateral projects supporting the

Department of Plant Protection (DSV), the Agrarian Training Centre (CFA) and the National Seed Service (SNS) all physically located at the premises of INIA close to the Ministry Headquarters in Maputo. Important experience has over the years been gained through the implementation of these activities, and with peace it should now be possible to intensify the agricultural input, training and extension initiatives in Tete and Zambezia, and to the extent possible assist in the establishment of local infrastructure, marketing and rural credit facilities and services. On the institutional side, a particular effort should, in addition, be made towards integrating the Tete sub-programme even further into local provincial Mozambican structures. One dimension of this is therefore that consistent institutional support must be provided to the provincial government in line with the underlying philosophy of SPS aid.

As regards the selection of an additional province, the mission supports that Manica, where development needs are as great as in other parts of the country, would be a suitable choice. This was confirmed during meetings with senior officials of MAF, although some preference was also expressed for the northern province of Cabo Delgado. Manica is, however, placed in the central region of Mozambique as is the case with Tete (and Zambezia). This implies, first of all, a number of logistical and other advantages. In addition, one of the five key stations in INIA's experimental network is situated in Sussundenga in Manica. Some basic infrastructure is, in fact, available but only limited applied research was possible so far, and despite the evident need for technical assistance no other donor has come forward with the sufficient resources.

It appears, in other words, that Danida, by supporting Manica and Sussundenga, can target not only (i) a province with rural people in urgent need of assistance, where activities under the heading of social forestry are relevant, but also (ii) one of the crucial points of inter-section between provincial activities, on the one hand, and national level initiatives on the other, as discussed further below. Finally, a careful review of ongoing and planned donor activities in the southern and northern parts of Mozambique also point in the direction of Manica and possibly Sofala. Should it at some later stage be decided to support Sofala, it would, however, be advisable to start out with more limited institutional assistance to the DPA office. This should be done in order to gain better insight experience with working in this province, where the number and activities of NGOs is much more complex than anywhere else in the country.

Similarly, expansion to include Cabo Delgado had better await the accumulation of experiences to be gained in including Manica into the Danish support activities.

While peasant focused rural development activities are of crucial importance in Mozambique they will not be successful without adequate backing from national level institutions. It is therefore proposed that (i) new Danida activities related to applied research on crops, post harvest losses, rural extension, and agricultural planning are initiated, and (ii) ongoing support in the areas of training, plant protection, and seed control are extended. The latter group of projects fits quite well with the SPS framework proposed, provided necessary adjustments are made in objectives and approach in follow-up to recent reviews. This can actually be considered a relevant criteria for the choice of strategic focus maintained in the SPS proposed. Another highly relevant criteria is that there are ample possibilities for fostering long term institutional links between incipient Mozambican institutions such as INIA, DNDR, CFA, DSV and SNS and well established counterpart institutions in Denmark such as The Danish Institute of Plant and Soil Science, The Research Centre for Plant Protection, The Danish Agricultural Advisory Centre, Danish Agricultural Technical Colleges, the Danish Plant Directorate and the Royal Veterinary and Agricultural University.

In what follows some specific comments are made as regards these individual national level components. However, further planning work is obviously needed as set out in Section 14, and in this context efforts should be made to identify further inter-section points where proposed provincial and national efforts link up in a useful manner. Some preliminary suggestions in this regard are also made below.

(i) Applied agricultural research (including post-harvest losses)

The main difficulties facing the development of agricultural research in Mozambique derive from (i) the vastness and diversity of the country with many different crops and ecological regions, (ii) the acute shortage of an experimental research network and trained national management and technical staff, and (iii) the need to generate appropriate genetic material and technologies that permit a sustained increase in yields in the family sector.

At independence in 1975, there were no national researchers at all, and until the mid-1980s whatever efforts took place were concentrated on variety assessments and cultivation techniques of crops for modern farms and cooperatives. A reorientation was initiated with UNDP/FAO assistance in follow-up to the Fourth Congress, and activities started in collaboration with several of the CGIAR stations to be geared towards improved varieties of maize, rice, sorghum, cowpeas, beans, cassava and sweet potatoes. SEMOC has also in recent years been active in this area due to the severe staffing and budgetary difficulties faced by INIA, and some appropriate varieties have been distributed to farmers, although a proper system for variety release is absent.

Nevertheless, the above initiatives can only be characterized as the very first and tentative beginning of applied research work that urgently needs to be consolidated and enlarged if the objectives of increased agricultural output and enhanced food security are to be realized. A well thought out medium-term strategy and plan was elaborated with the assistance of ISNAR in 1993, and this plan is presently being up-dated within the PROAP process. The plan sets out the necessary framework for rehabilitation and reorientation of agricultural research in Mozambique with focus on (i) improving the national genetic bank through collection and import of germ plasm, (ii) the testing and propagation of local varieties of basic food crops, which are pest- and drought-resistant, (iii) farming systems research and investigations on smallholder cultivation techniques under different rainfed agro-ecological conditions, which can increase productivity and conserve soil fertility.

Hence, emphasis is correctly on applied and adaptive rather than basic research. Included in the plan are also (i) a review of the poor state of research management, (ii) the inadequate research station network, and (iii) a plan for its phased reactivation. It can be noted that the station in Sussundenga in the province of Manica is scheduled to play an important role in the reactivation process. In a comparative table of the agro-ecological regions and development priorities elaborated by MAF, Sussundenga is identified as having high priority in the region of mid-altitude of the centre of the country. This region in addition to the provinces of Manica and Sofala include Tete and Zambezia, where Danida and Ibis are already active, in addition to the provinces of Manica and Sofala. Finally, the main food crops are maize, cassava and cowpea, which are absolutely fundamental to the food security and nutritional status of poor

Mozambican farm families, and these crops are also key in relation to ensuring that family incomes of the poorest farmers can increase.

In developing applied agricultural research in Mozambique particular attention must be paid to furthering linkages to farmers and extension and these dimensions are also well covered in INIA's strategy for the future. Yet, all this will require efforts, which are expensive in terms of staff time and other resources, and they add up to amounts that clearly go beyond the means at the disposal of Mozambique at present. Thus, Danish support to the station in Sussundenga and to the overall national management of INIA's research efforts are areas where potential pay-offs are very high indeed. The same accounts with reference to the incipient extension system as discussed further below. It is finally evident that special efforts must be made to ensure a proper balance between activities at the level of for example Sussundenga and work involving peasants directly. Meeting local needs presupposes direct interventions at this level as well as the existence of central level services.

One specific sub-area under the above heading, which has also suffered from the lack of staff and resources is that of post-harvest losses. Some scattered NGO supported activities are found in different parts of the country, but losses through-out the post-harvest system, have not been subject to detailed study. They may, however, be as high as 40% for maize and even higher for more perishable crops. It is therefore critical that there is at present no national capacity at all at INIA or elsewhere, which can help promote the use of simple cost-effective solutions to reduce losses based on identifying and improving the best of the existing practices. Initiating work in the post-harvest area in close collaboration with the extension system could therefore help increase food security considerably. This is moreover an area where attention to gender questions would be particularly relevant.

(ii) Extension

Traditional farmers in Mozambique have little choice to change their production technology. They live at bare subsistence level and can hardly afford the risks involved, unless they can be assured that they will in actual practice benefit from improved seeds and other new production methods, which come out of the applied research referred to above. The role of rural extension is therefore of the utmost importance in Mozambique. This is why DNDR was established in 1986 as the first national public extension institution, and the Mozambican government has also within the PROAP process identified agricultural extension as a top priority. DNDR has over the years been supported by UNDP/FAO and the Nordic countries through MONAP in relation to the development of effective extension methodologies, but most field operating costs are at present supported by donors such as World Bank (Gaza, Inhambane, Nampula and Cabo Delgado), IFAD (Niassa) and GTZ (Manica) in addition to Danida in Tete and the Ibis activities in Zambezia.

All of the above externally funded extension activities have relatively similar characteristics regarding target group, general methodologies and integration in the provincial structures, and in addition there are numerous NGOs that carry out extension either in collaboration with the provincial DPAs or on their own. Considerable experience has been obtained over the past decade, and a variety of technologies that can be expanded and built upon have been tested. Yet, the extension service continues to suffer from the weak technical base of extension messages and the feeble research input geared to farmers' problems and priorities.

Moreover, extensionists lack diagnostic skills and technical knowledge in priority areas such as harvest and post-harvest losses, seed selection, storage and quality control, soil fertility, small animal husbandry and control of pests and diseases. The above reasons all form part of the justification for focusing future Danish SPS on two provincial sub-programmes (i.e., Tete, Zambezia and Manica). It can in this regard also be emphasized that DNDR has developed a clear strategy and a sound general perspective about the problems faced and what needs to be done in the various provinces in terms of number of extension workers and general principles to be followed. Plans are well articulated and avoid the danger of pursuing the establishment of a

public service which cannot be funded under the given resource constraints on a sustainable basis.

Nevertheless, (i) fragile programme management at regional and national levels, (ii) the existing incomplete integration of provincial projects into a coherent national programme, (iii) the under-utilized potential for collaboration, systematic exchange of experience with NGOs and among provinces, and (iv) the need for helping national institutional structures integrate and adapt their emphasis towards the family sector are important factors which imply that assistance should also be provided to DNDR in addition to the work to be promoted within the context of the Tete and Manica sub-programmes. Without backing from central level structures, it will be much harder to plan and implement provincial level initiatives. Support to DNDR is finally necessary to ensure the critical integration of extension with research as a major source of new messages for the farmers.

(iii) Training

At the end of 1994 there were around 670 field extension workers to attend some 2.8 million family farms in Mozambique. Most of the extensionists are basic level technicians, and there are extremely few subject matter specialists. Moreover, the staffing at district, provincial and national level is also weak in terms of qualifications and experience. Hence, the need for training at all levels of the government extension and management system is enormous. Training should therefore be an integrated component in all of the initiatives supported by foreign donors, including the three provincial sub-programmes identified for Danish support. Moreover, training must also be implemented with a view to the obvious need for reorienting existing central structures so they become able to start addressing the problems of the small farmer sector on the one side, and perform their general management and planning responsibilities in a more efficient and appropriate manner, on the other.

The agrarian training centre, CFA, is the leading non-formal training institution for rural development and other rural related activities. It was created with MONAP and FAO/TCP support in the early 1980s to train rural development agents and extensionists. The CFA, which has in more recent years received Danida support, has excellent physical facilities and the

capacity for producing relevant teaching materials and providing backstopping to the network of provincial centres for agricultural training.

It would therefore be logical to include support to CFA as an integral component of the Danish SPS, in particular since senior staff of MAF confirmed to the policy assessment mission that CFA is destined to play a strategic role in performing management training at all levels. Danish expertise has much to offer here and such support fits well within the overall context and rationale of the SPS.

(iv) Agricultural planning, administration and financial management

Institutional structures in MAF are as already noted highly compartmentalized and inadequately adapted for the change in emphasis towards the family sector. The agricultural planning system still retains many of the central planning features, which were adopted after independence, and lack of well qualified staff is a critical constraint. Hence, there is insufficient capacity to (i) collect and systematize the statistical data, and (ii) carry out the kinds of economic planning and policy analysis required in the new emerging market-oriented economic context. There is therefore a need to strengthen the activities of DNDR already discussed above, but also DEA must be assisted if MAF is to fulfill effectively its role of furthering agricultural development in Mozambique. This need is put further into perspective by the ongoing reorientation towards programme assistance where the domestic coordinating capacity is critically important.

DEA has over the years received support from various donors such as UNDP, FAO and the Nordic countries through MONAP and on a bilateral basis from SIDA, and also the World Bank has supported the planning activities of MAF. Yet, experiences have been mixed due in part to the recurrent problem of creating separate and parallel donor-funded structures. In addition, the role and priority DEA has been assigned in practice has not always corresponded well with its declared functions. According to the statutes of MAF, DEA is *inter alia* responsible for (i) the coordination and globalization of the formulation and implementation of policies and strategies for agricultural development, (ii) the elaboration of studies necessary for the definition of policies and strategies, (iii) project identification, monitoring and evaluation, and (iv) a variety of statistical duties.

Nevertheless, critical work in these areas has often been placed in special units outside DEA instead of integrating them, thereby helping to transform this directorate as appropriate. It would appear, however, that there is a definite move to start changing this with recent decisions taken as regards the PROAP planning process. Support to this change could, in other words, be helpful in helping to establish a much more transparent and organized system of agricultural planning and policy analysis in Mozambique. It could, in addition, help MAF in its critical role of coordinating foreign aid to the agricultural sector, including *inter alia* the Danish SPS.

Finally, it is an integrated recommendation of the package proposed for Danish SPS to the agricultural sector is that a substantial part of the funds made available at central level should be in the form of budget support to be disbursed in a quick and flexible manner to take account of unforeseen but binding constraints of significant importance in the agricultural sector. To ensure this can be done effectively, presumes not only that DEA is capable of performing its role in identifying and analysing needs, but also that the Department of Administration and Finance (DAF) and the National Directorate of International Cooperation (DNCI) of MAF function effectively. Assistance should therefore also be considered in this area as further discussed in Section 11 and 14 depending on the outcome of the PROAP process and decisions taken by other donors.

(v) *Plant protection*

Danida started in 1986 to support the efforts of the government in the area of plant health inspection and quarantine, as the import of diseased plant material posed a considerable threat to the future of Mozambican agriculture. It was soon recognized, however, that crop losses incurred in the field due to pests and diseases were large, and Mozambique also spent considerable amounts of foreign currency on the import and use of pesticides. Thus, project activities were amplified to cover the whole range of plant protection and provide institutional support to the new plant protection department DSV. This assistance has recently been reviewed, and continued aid is recommended, provided particular attention is given to the need for a reordering of priorities where greater attention is paid to helping build up a system where farmers, extension workers and applied researchers work together to protect the crops.

The review mission explicitly states that the ongoing PROAP process provides an excellent opportunity to systematically define how to organize the technology generation, in-service training and extension in the area of plant production and protection. Indications in this context are that the most important future work in the area of plant protection will indeed be linked to field orientated technology generation and extension. Hence, it can be concluded that further Danida support to DSV would be a highly relevant component of the Danish SPS proposed. This argument is further strengthened, if also the assistance to regional plant protection activities (including Chimoio in Manica) is approved as suggested by the review mission.

(vi) *Seed control*

The building-up of a Mozambican seed industry was initiated with MONAP assistance already in the late 1970s as it was recognized that seed is an agricultural input of fundamental importance. When MONAP ended in 1989 SIDA support was provided to the creation of a new national seed company SEMOC, whereas Danida agreed to support the seed control activities in SNS. Hence, production and control were kept separate. Considerable progress has been realized in establishing SNS as a competent unit with well trained staff and three satellite laboratories (in Lionde, Chimoio and Namialo) in addition to the central laboratory in Maputo. Thus, SNS is now able to control the quality of imported seed and seed produced by SEMOC and others for sale.

Nevertheless, the quality control system is not fully developed. Continued support is therefore required in areas such as variety release and pre- and post-control and there is also a need for the continuation of ongoing parallel testing and managerial assistance. Furthermore, Danida could help ensure that SNS facilitates the activation and utilization of local laboratories as suggested in the recent mid-term review report of the agricultural development project in Tete. This would, in fact, be a useful way of helping to link together national level support under the Danish SPS to the provincial programmes, since there are small local laboratories in both Tete and Zambezia in addition to the regional laboratory in Chimoio in Manica.

The recent review of the seed quality control project points out that there are a number of other areas where Danida assistance to institutions dealing with seed can be of use. This includes

inter alia (i) systematic studies and inventories of seed management practices in the family sector, (ii) establishment of a system for truthfully labelled seed, and (iii) support to improvement and dissemination of seed and vegetative propagation materials not dealt with by the formal seed sector. While these recommendations do not only involve SNS but also INIA and DNDR as well as provincial authorities, it is clear that SNS has an important catalytic role to play, which could be strengthened by continued Danida backing.

(vii) *Other Ideas*

In addition to the above components, it was also discussed with the Mozambican authorities to include some support to forest resource inventory work and forest seed under the responsibility of DNFFB. The Danida Forest Seed Centre in Humlebæk could possibly be involved and the same accounts in the area of early warning, where an institution such as the Danish Meteorological Institute (DMI) possesses technical expertise of high international standard. Finally, Danida may also wish to support the general supportive functions of the documentation centre CDA.

5.3 Ownership, Accountability and Sustainability

Danish Sector Programme Support (SPS) is conceived as a long term framework for broad assistance to a National Sector Programme (NSP). The objective is as pointed out earlier to avoid donor-driven and donor-managed ‘traditional’ projects, which do not assist national institutions to cope with their overall responsibilities. One immediate consequence of this is that local ownership and accountability will be promoted in this SPS by integrating programme management and financial accountability with national Mozambican institutions at central and provincial levels without creating parallel structures as further discussed in Section 11. It is specifically foreseen that DPA offices will be assisted in their overall planning functions in their respective areas of responsibility.

Target group participation at local level will moreover be ensured by working directly with peasant farmers and associations in the identification and implementation of field level work in the Danida bilateral area-based sub-programmes. These activities will in addition draw upon

backing from the national level activities in applied research, training and extension, post-harvest losses, plant protection and seeds so as to help increase the access of peasant farmers to the technology and services they need. Finally, overall financial, institutional and human resource sustainability will be ensured by (i) monitoring closely that public budgets reflect the strategic importance of the peasant sector, (ii) ensuring that technical advisers pay particular attention to institutional and training dimensions of the programme, and (iii) taking an active but flexible stand in the allocation of the funds earmarked as general budget support. Sustainability will finally be promoted by developing links between incipient Mozambican institutions dealing with research, extension and training, on the one side, and their well established Danish counterparts on the other.

5.4 Risk Assessment

Mozambique is in the midst of a difficult and risky social and economic transformation process. Significant strides have been made towards (i) liberalizing and reforming the structure of the economy, and (ii) adhering to democratic political principles. However, progress realized to date is fragile. Mozambique remains the poorest country in the world, and the emerging social and economic institutions are extremely weak. The same accounts for the capacity of the government to manage the economy and put into place the necessary enabling framework for the private sector to contribute in a productive rather than destructive way to the overall development of the country. Corruption is quickly spreading at all levels of society, and uncertainty and serious conflict over access to resources are bound to remain. This is so not only with reference to individuals and groups of people but also at national level with one specific issue being the relative amount of resources dedicated within national budgets to smallholder development programmes. Another difficult question of importance is the ongoing but complex process of decentralizing administrative and budgetary controls to provincial and district levels.

Moreover, outright criminal offences are on the rise all over the country, so personal security and banditry have become major concerns, which are impacting negatively on the quality of life. Other exogenous factors such as frequent droughts, macroeconomic instability and the extreme degree of aid dependence also serve to highlight that Mozambique is a very vulnerable

economy subject to external and internal shocks. Hence, it is by no means easy to predict what the short to medium term future of Mozambique will hold. This is put further into perspective by the regional economic context, where a solid and stable framework is yet to emerge.

It would certainly help if GOM is successful in striking appropriate balances in the reform programme and avoids getting captured by interest groups within the private or public sector, which do not have the common good in mind. This will however by no means be an easy task given the difficult macroeconomic and social conditions.

In sum, risks are considerable and they may end up being unmanageable. Nevertheless, Danida can certainly help the government and ultimately the people of Mozambique turning away from chaos and extreme impoverishment by ensuring that resources and opportunities are made available to the poorer segments of the population. In fact, Danida is with the long term commitment inherent in the SPS philosophy well placed to assist in confronting (i) the deep rooted social and economic challenges faced by Mozambique, as well as (ii) the more specific technical content and constraints related to applied agricultural research, extension and training efforts, which are of fundamental importance in turning around the fate of the agricultural sector.

6. OBJECTIVES FOR DANIDA SUPPORT

6.1 Development Objectives

The overall objective of Danida support to Mozambique's agricultural sector programme is to help restore and transform the rural economy with the intention of (i) increasing production, (ii) promoting food security, (iii) alleviating poverty, (iv) improving rural livelihoods at family, district, provincial and national levels, and (v) redressing existing gender imbalances.

6.2 Immediate Objectives

In order to realize the general objectives defined above the Danish agricultural sector programme support is designed to:

- (i) Help increasing the share of public investment and recurrent resources going to agricultural development to the benefit of the rural poor in the short, medium and long term.
- (ii) Ensure peasant families, including in particular women farmers, access to agricultural inputs, credit, marketing, extension and other services, which are important to increase production and minimize post-harvest losses.
- (iii) Focus applied agricultural research on technologies, which are appropriate to the needs of small scale farmers.
- (iv) Build rural roads and water supply as well as other infrastructure needed by small farmers and which are also important for the production and marketing of agricultural output.
- (v) Strengthen the technical, managerial and institutional capacities of the Ministry of Agriculture at central, provincial and district levels so they

become better suited to provide support to family sector oriented rural development.

(vi) Promote the establishment of farmers' associations and other collaborative forms of social organization so as to improve peasant participation and influence on political and administrative decision making and increase local ownership and accountability.

7. PROGRAMME SUPPORT PROJECTS

This section will eventually contain a short description of each of the SPS projects necessary to reach the immediate objectives defined in Section 6. These descriptions will be elaborated in due course on the basis of further planning, including the fielding of a number of formulation missions as set out in Section 14. Complete project documents for the SPS projects, which will be prepared in accordance with the Danida guidelines for Programme and Project Support, will be attached to the final version of this document as annexes.

8. BUDGET

The SPS put forward in this document was identified with a view to the agreement between Denmark and Mozambique that around 20% of the total indicative planning for the period 1995-99 will be disbursed to support small-scale family agriculture during the period. Thus, the overall tentative budget frame is DKK 171 million. However, this estimate includes neither the costs of technical assistance personnel, which will be covered by Danida's general appropriation for development assistance, nor activities to be implemented in Zambezia by Ibis. In addition, actual disbursements will depend on the absorptive capacity of the recipient institutions as well as the general pace of programme implementation.

A more detailed breakdown will be elaborated following the missions referred to in Section 14, and this breakdown will include an allocation for budget support so as to ensure that the Danish support can be adjusted quickly in a flexible manner to emerging new needs. Yet, the core of the SPS will include the three sub-programmes identified in this document. It is finally highlighted that while the budget frame is defined with a five year time horizon in mind, the Danish commitment to supporting small peasant agricultural development in Mozambique has a much longer time frame in accordance with the fundamental principles guiding the new strategic vision inherent in the SPS approach.

9. ASSUMPTIONS AND PRECONDITIONS

The risk assessment contained in Section 5 specifies the various exogenous and endogenous factors, which can in general affect programme implementation. It is assumed that none of these factors develop in such a way that field activities become impossible for reasons of security. Moreover, it is presumed that the Mozambican government will ensure that the necessary priority is given to small scale agricultural development in the country's annual budgets and tri-annual investment plans. This relates in specific to the assignment of national staff as well as to the allocation of recurrent and investment funds in line with the strategic importance of the sector.

Thus, regular reviews of the composition of public expenditures should become an integral part of the monitoring and reviewing process laid out in Section 12. It must, in other words, be clear to all parties that lack of adoption of the recommendations concerning family sector development referred to in this document on the side of the government and the donor community at large can undermine the success of the programme. One further aspect of this is that aid coordination develops in such a way that duplication and working at cross purposes is effectively eliminated. It must at the same time be ensured that the Mozambican government takes the lead and assumes overall responsibility for programme planning, monitoring and implementation.

Of more immediate importance is the assumption that the PROAP planning process is successfully completed without major delays. The time frame suggested in Section 14 is only realistic if (i) the strategic priorities and investment programmes under formulation are decided on in time, (ii) the subsequent formulation missions referred to in Section 14 are fielded quickly, and (iii) the recruitment of Danish technical assistance personnel is initiated forthwith. While the last point does not imply that all new advisers must be in post in early 1997, some of the more critical positions such as the chief adviser for the new area based programme in Manica and the research planning adviser to the Director of INIA should be filled as a matter of priority, and preferably in a way so they can participate in part of the planning work. It is reiterated that the need for forging links with established Danish counterpart institutions could

play a particularly relevant role in ensuring the necessary backstopping and continuity in assigning competent staff.

10. INDICATORS

Detailed and verifiable indicators for each of the sub-programmes and SPS projects will be elaborated in subsequent stages of the formulation process. However, the performance of programme activities will ultimately depend on their ability to help increasing the income and food security of rural households in such a way that the number of poor people and the depth of poverty fall. This implies that (i) chronic as well as temporary malnutrition must decline, and (ii) inequality of income and opportunity do not develop in such a way that progress in aggregate measures is inconsistent with the situation of vulnerable groups such as women and children. Hence, global indicators must to the extent feasible be established and assessed with reference to national, provincial, district and household units of measure as well as to the intra-household distribution of gains in income and access to agricultural inputs and services.

11. SECTOR PROGRAMME SUPPORT MANAGEMENT AND ORGANISATION

It was outside the scope of the policy level assessment mission to discuss details related to the organisational setup of the future Danish SPS to the agricultural sector. Yet, the organisation and administration should as far as possible be integrated with already existing government structures. When it comes to the planning, programming and coordination of the implementation of the SPS this will obviously involve the technical departments of the Mozambican government under which the individual activities fall, but also the DPA offices in the selected provinces and DEA and DNCI at the level of MAF. There is in this regard a clear need for the services of the Danida Chief Adviser already in post to help ensure that the planning process over the next year is carried out in an appropriate and effective way. This relates to the fielding and follow-up of the missions referred to in Section 14 as well as to the need for maintaining a close dialogue among the various partners involved, i.e., Danida, the government and other donors.

Nevertheless, it is relevant to note that there is an inherent conceptual difficulty between a policy where donors wish to place advisers in MAF with coordinating responsibility for their specific programme support, on the one side, and the very principles underlying sector programme aid on the other. These principles are as already pointed out geared towards the need for avoiding the creation of parallel structures by integrating the services of foreign advisers within the normal ministry hierarchy, so it is MAF that holds the coordinating responsibility. This issue is particularly evident in a complex institutional setting such as that of MAF where support is coming from a substantial number of donors with different goals, instruments and procedures. It is therefore understandable that senior government staff expressed their concern to the policy-assessment mission about avoiding the creation of centrally placed donor-driven coordination units in MAF. It was, in addition, made clear that while this topic is complex at central level it tends to be more manageable at provincial level due to the smaller number of actors involved.

Hence, it is encouraging that Danida and MAF have established clear terms for the functions of the Chief Adviser, in accordance with the above observations and agree on the most appropriate placement. DEA is one option originally considered due to the key role this directorate has been

assigned in the finalization and follow-up of PROAP. Yet, given DEA's rather wide ranging set of responsibilities for economic analysis and overall strategic sector planning, the more pragmatic alternative chosen was DNCI.

In sum, before starting up of the Danish SPS it will be necessary to formulate detailed recommendations on the organisation and administration of the SPS, including as well the future responsibilities of the Chief Adviser. This will undoubtedly require a mission, which has this as its specific objective, but it is in addition proposed that this mission also reviews the existing financial management capacities at central and provincial levels as further discussed in Section 14.

12. MONITORING, REVIEW, REPORTING AND EVALUATION

It will as already noted be necessary to assess the capacity of MAF to provide the monitoring information needed by donors and make recommendations on further steps required in this regard. Further details are therefore included in Section 14. Moreover, in all of the three sub-programmes, specific components dealing with the need for generating information and data required for monitoring and evaluation purposes should be included. This must, in addition, take due account of the specific indicators to be established as pointed out in Section 10.

From a global perspective, it is clear that some of the necessary data are already collected as an integral part of the national system of statistics. As such this will provide relevant background information for reviewing and assessing the progress of the SPS, which must be seen in the overall context of general macroeconomic and sectoral progress. Yet, in view of Danish aid policy it would be sensible if a particular effort is made to link up with the poverty analysis unit of the Ministry of Finance and Planning and other similar initiatives related to the monitoring and assessment of the poverty effects of the development process in Mozambique.

13. ACCOUNTING AND AUDITING

This section will be elaborated in due course depending on the findings of future programming missions, and the detailed planning of the individual programme components.

14. GENERAL IMPLEMENTATION PLAN

A complete plan for the implementation of the various sub-programmes, including *inter alia* (i) a bar chart with the flow of SPS projects and related monitoring and review activities, and (ii) an identification and description of the major process activities making up the Danish SPS, can only be prepared once the detailed planning work related to the individual components has been implemented. Thus, this section will focus on brief descriptions of some of the steps required to arrive at a complete document for the SPS, which can be approved by the two governments. The time frame should be geared towards starting up concerted SPS activities from January 1997.

Moreover, based on the fact that the NSP appears to be well on track, it was as demonstrated in previous sections possible during the initial policy assessment to actually identify a number of relevant and promising high-impact areas for future Danish support. Thus, it is proposed that the next step in the SPS process should be to mount a number of missions, which should assess in greater detail the proposals made in this report and undertake the full assessments and formulation of the various sub-programmes in accordance with Danida's guidelines as appropriate. Close collaboration with the Chief Agricultural Adviser already in post in Maputo is needed so as to ensure that activities are coordinated and implemented in a mutually beneficial way.

In sum, it is suggested that Danida initiates as soon as possible preparatory work under the headings below, taking due account in all of these activities of the present operations as well as plans and intentions of other donors. Furthermore, Danida should aim at involving Danish institutions such as The Danish Institute of Plant and Soil Science, The Research Centre for Plant Protection, The Danish Agricultural Advisory Centre, Danish Agricultural Technical Colleges, the Danish Plant Directorate and the Royal Veterinary and Agricultural University in this work right from the very beginning, so their commitment to longer term institutional collaboration is assured.

(i) *Agricultural planning, administration and financial management*

A detailed assessment is required of the agricultural planning capacity and needs of technical support to MAF with particular reference to DEA and DNCI and the ways in which Danish SPS can be integrated into Mozambican structures at national and provincial levels. This work should also include a review of the capacity of MAF and the provincial authorities in Tete and Manica for financial management and accountability. Hence, one or possibly two missions involving expertise within the fields of financial accountability/public sector organisation and planning/economic analysis should be fielded soonest with responsibility for the following tasks:

(i) Assess existing procedures and capacities within MAF, including the relevant directorates and provincial authorities involved, for channelling of funds, accounting, reporting and audit. This would *inter alia* involve the Mozambican ability to handle donor funds according to normally accepted criteria, which would satisfy Danida.

(ii) Draw up plans for the necessary strengthening of the Ministry of Agriculture and Fisheries in financial management and control and a phased integration of the management of Danida funds with the general accounting procedures of MAF and the provincial authorities, taking due account, in particular, of ongoing World Bank support in this area

(iii) Suggest appropriate steering mechanisms for the Danish SPS, including the specification of duties and responsibilities at different levels and activities and the general role of technical advisers and their duties *vis-à-vis* the Mozambican authorities and Danida.

(iv) Assess the capacity of MAF to carry out economic analysis and planning in a market-economy context and deliver the flow of information needed for monitoring and evaluation purposes.

(v) Make suggestions on how Danida can support agricultural planning, administration and financial management at national level in the form of a draft Programme Support Project (PSP) and draw up suggestions both on how provincial sub-programmes should handle these issues at local level and on how central structures can be of assistance in this regard.

By way of additional background, it can be observed that most donor financed activities in Mozambique in both the agricultural and other sectors at present receive funding directly from the donor and produce specific reports and financial accounts according to the different donor requirements. It is moreover normal to establish a separate donor financed project administrative unit, due to the common perception among donors and senior staff of MAF that the administrative capacity of the ministry is as yet too weak for donors to risk channelling funds through the normal management system. How this can be changed is a key challenge to be addressed in ensuring that the overall objectives behind the SPS programme are in fact realized. Nevertheless, it must also be kept in mind that there are probably certain areas where direct Danida financed procurement should continue to be administered separately.

Finally, in carrying out its work, the mission(s) should draw upon the experiences from other donor financed activities such as the Swiss support to the health sector, and it is particularly important that the various sub-sector components of the Danish SPS follow the same well defined procedures.

(ii) Applied research (including post harvest losses)

An assessment of the agricultural research institution, INIA, its current capacity, programmes, donor funding and needs should be undertaken quickly. Research stations in the central region of Mozambique (including in particular Sussundenga in Manica) should form part of the assessment, which must involve expertise in research planning and management and post-harvest losses. Focus should, moreover, be on the need for research management and applied research on priority crops for improved output in the family farming sector, and it will be of particular importance to analyse how national level structures relate to the provincial

sub-programmes and local level activities and how such linkages can be strengthened. More specifically, the mission should carry out the following tasks:

- (i) Assess existing national policies and plans for agricultural research and determine the stage of development of the policies and investment plans to be included in PROAP.
- (ii) Describe and assess in detail the policies and current as well as planned support of important donors to agricultural research in Mozambique.
- (iii) Identify relevant areas for Danish sector programme support to agricultural research and post-harvest losses activities at national level, including in particular a description of the ways in which linkages can be developed between national level and provincial activities, and present a draft Programme Support Project (SPS) for such assistance in accordance with Danida's guidelines.

It would be particularly helpful if Danida could quickly formulate terms of reference and identify in collaboration with relevant Danish institutions a specialist for the task of assisting the Director of INIA managing the national research programme. If possible this specialist should participate in the identification/formulation mission.

(iii) *Extension and training*

In follow-up to the identification of this area as a corner-stone in Danish SPS to Mozambique, one or possibly several missions must be fielded to assess in greater detail existing policies and plans for agricultural extension and training and the need for Danish support at national and provincial levels. Thus, the scope of the missions should focus both on (i) a national level assessment where the role and needs of DNDR and CFA are critical, and (ii) provincial level assessments with reference to Tete and Manica as further discussed below. It will in this context be of particular importance to analyse how national level structures relate to the provincial sub-programmes and local level activities and how such linkages can be strengthened, and how

the Ministry of Agriculture and Fisheries can be assisted in transforming the CFA into an efficient in-service training facility of MAF. Hence, an identification/formulation mission, involving expertise in agricultural extension and informal training, should be fielded with the following tasks:

(i) Assess existing national policies and plans for agricultural extension and informal training and determine the stage of development of the policies and investment plans to be included in PROAP.

(ii) Describe and assess in detail the policies and current as well as planned support of important donors to agricultural extension and informal training in Mozambique.

(iii) Identify relevant areas for Danish sector programme support to agricultural extension and informal training at national level, including in particular a description of the ways in which linkages can be developed between national level and provincial activities, and present a draft Programme Support Project (SPS) for such support in accordance with Danida's guidelines.

It would be particularly helpful if Danida could quickly formulate terms of reference and identify in collaboration with relevant Danish institutions a specialist for the task of assisting the provincial authorities in Manica start-up a provincial programme similar to those in Tete. If possible this specialist should participate in the identification/formulation mission.

(iv) *Plant protection and seed control*

Danida should take initiative to discuss with the parties involved in Mozambique and Denmark how the ongoing assistance in these areas can be revised as described in this document. On this basis, it should be possible to formulate concrete plans for the future relatively quickly. In this regard, attention should be paid to how DSV and SNS can be geared towards meeting needs at provincial level as well as carry out their overall responsibilities for plant protection and seed control. Thus, an effort should be made to identify concrete activities at provincial level, which could be further developed with support from DSV and SNS.

(v) *Provincial programme Tete*

This programme should be continued but adapted as appropriate in the light of revised government policies expressed in PROAP and observations and recommendations made by the above missions. Moreover, efforts at integrating the programme as fully as possible into provincial structures should be continued. Thus, funds and other resources should be made available to ensure that the DPA functions well both in relation to administration and financial management and professional tasks related to supporting peasant farmers in a consistent and relevant way.

(vi) *Provincial programme Manica*

It is recommended that Danida investigates together with GOM how a provincial programme in support of the family sector in Manica similar to that in Tete can be initiated. It is suggested that Danida makes use of the services of the Chief Agricultural Adviser in Maputo in collaboration with experienced staff already in post in Tete for this task, which must in addition be implemented in close accord with both the agricultural research and the extension/training missions referred to above.

Consequently, general recommendations on the future organisation and management of the provincial sector programme in Tete should also apply in Manica, and particular attention should be made to how Danida can assist in the rehabilitation of the Sussundenga research station as an integral component of the national research network. Eventually a Programme Support Project (PSP) document must be elaborated in accordance with Danida's guidelines,

and it would be particularly helpful if Danida could quickly formulate terms of reference and identify jointly with relevant Danish institutions a specialist for the task of Agricultural Programme Adviser to be based in Manica. If possible this specialist should participate in the identification/formulation mission so as to be involved as early as possible.

In sum, Danida should as a matter of priority field identification/formulation missions to work with GOM in the following areas: (i) agricultural planning, administration and financial management, (ii) agricultural research, and (iii) extension and training. These missions should develop SPS documents for support to national level structures and make detailed recommendations on (i) how provincial sub-programmes should be adjusted and organized in future, and (ii) the way in which national level activities should link in and back up provincial level work. A similar process should take place with regard to the ongoing assistance to DSV and SNS.

Moreover, Danida should (i) initiate identification/formulation of the programme in Manica, preferably with assistance from staff already in Mozambique, and in due course (ii) expand and consolidate the activities in Tete. Finally, Danida would be well advised to help foster strong collaboration with specialist Danish institutions in the areas referred to and should make every effort to field as soon as possible a Research Management Adviser to assist INIA and an Agricultural Programme Adviser to help mount the sub-programme in Manica.

Annex 1. Terms of Reference for Identification of Danish Programme Support to the Agricultural Sector in Mozambique - Policy-level Assessment

1. Background

A Country Strategy for the development cooperation between Denmark and Mozambique up to the year 2000 was elaborated during 1994 and reaffirmed by the two Governments during the Annual Consultations on the Mozambican-Danish Development Cooperation Programme in Maputo in April 1995. The Country Strategy, which *inter alia* outlines objectives and sector concentration for the Danish development cooperation with Mozambique, stresses the need for poverty alleviation through the restoration of production in the rural areas where the majority live. Consequently agriculture with emphasis on small scale family farming has been selected as a priority sector to which the Danish development assistance will be gradually transformed from its present focus on specific projects towards a comprehensive sector-programme-support.

As a first step to identify the future sector-programme for the agricultural sector it has been decided to assess the current economic, political and institutional framework for agricultural development. This assessment is planned to be followed by an identification and formulation mission eventually leading to the approval of Danish sector programme support to the agricultural sector, which is expected to start implementation by January 1997.

The hereby presented terms of reference cover only the initial policy level assessment and preparation of synopsis for the further identification of Danish programme support to the agricultural sector.

2. Objectives

The objectives of the mission are to:

- Assess the national sector policies and plans for agricultural development and determine their stage of development and their compatibility with Danida's strategy and policy concerns;

- Describe and assess the policies and strategies of important donors to the agricultural sector;
- Revise terms of reference and prepare a synopsis for the identification mission to follow.

3. Scope of work

The policy level assessment shall comprise, but not necessarily be limited to the following:

On national level policies:

- Describe the consequences for the agricultural sector of present macro-economic stabilization, liberalization and structural adjustment;
- In this context assess the feasibility of ongoing and planned structural adjustment and institutional reorganization in the agricultural sector;
- Assess the consequences for the agricultural sector of national level decentralization policies.

On sector level policies:

- Assess the 'Agrarian Policy and Implementation Strategy' approved by the Government during October 1995; its coherence, feasibility and compatibility with Danida's objectives, strategy and policy concerns incl. cross-sectoral issues (environment, gender and human rights);
- Assess the stage of development of the planning process recently named PROAP (a reorientation of the previous Pre-Programme) which is supported by UNDP, the World Bank and FAO.

On donor support and coordination:

- Assess ongoing assistance and future plans of important bilateral donors, multilateral agencies and NGOs supporting the agricultural sector;

- In this context assess major differences and (potential) conflicts between different donors with respect to their objectives and policies for support to the agricultural sector;
- Assess the possibility that major donors to the sector would agree to jointly support one and the same Agricultural Sector Programme;
- Describe the present situation regarding donor coordination in the agricultural sector, and the role and capacity of MAF in this context.

On institutional capacity and restructuring:

- Assess the overall capacity of MAF and current restructurations in relation to the capability to implement recently approved and planned sector policies and plans.

On Danish support to the agricultural sector:

- Present recommendations on the general framework and organisation of Danish programme support to the agricultural sector.

4. Output

The output shall be a description and an assessment of policies and plans of relevance to agricultural development, and a presentation of recommendations on the further process to develop the Danish sector programme support to agriculture. This will include revised terms of reference and synopsis for the identification mission which is planned for March 1995.

5. Reporting

At the end of the mission a preliminary report on findings and recommendations shall be presented to the Ministry of Agriculture and Fisheries and to the Danish Embassy.

A draft report shall be submitted to Danida in five copies not later than 2 weeks after the end of the mission.

A final report shall be submitted within two weeks after receiving comments from GOM and Danida. The final report shall be submitted in five copies and on a 3.5" disk using WordPerfect version 5.1.

6. Composition of the Team

The assessment will be carried out by Dr. Finn Tarp, economist, external consultant to Danida. In addition the Danish Embassy in Maputo will participate.

Annex 2. Itinerary for Agricultural Sector Programme Identification - 21 January to 2 February 1996Sunday 21.1

13:15 Arrival in Maputo

Monday 22.1

a.m. Briefing and discussions at Danish Embassy with Messrs. Johnny Flentø and Jørgen Strange-Hansen.

15:00 H.E. José Pacheco, Vice-Minister, MAF

Tuesday 23.1

08:30 Mr. Iain McDonald, Acting FAO Representative

Ms. Margarida David e Silva, FAO Programme Assistant

11:00 Mr. Erick de Mul, UNDP Resident Representative

14:00 Ms. Ann Stödberg, Counsellor of Development Cooperation, SIDA

15:30 Dr. Fernando Songane, National Director, DINAP

19:30 Mr. Artur Gobe, Head Department of Economics, UEM

Wednesday 24.1

08:30 Dr. Admir Bay, Managing Director, SEMOC

11:00 H.E. Adriano Maleiane, Governor, BM

Mr. Adelino Jeque Pimpão, Head, Economic Studies Division, BM

13:00 Mr. Carlos Zandamela, Director, INIA

14:30 Ms. Deolinda Pacho, National Director, DINA

16:00 Ms. Mariam Pangah, Assistant Resident Representative, UNDP

20:00 Mr. Francisco David e Silva, Economist/IFAD Consultant

Ms. Conceição Pinto, Economist/IFAD Consultant

Thursday 25.1

- 09:00 Ms. Clementina Machungo, National Director, DNDR
Ms. Filomena Anjos, Veterinarian and Supervisor southern Region
- 11:00 Mr. Gregg Wiitala, Supervisory Project Development Officer, USAID
Mr. Richard Newberg, Agriculture and Food Resource Supervisor, USAID
Mr. Thomas Johnson, Project Development Officer, USAID
- 13:00 Aid Coordination Meeting, Danish Embassy
- 15:00 Mr. Sergio Chitará, National Director, DNFFB
- 19:00 Data analysis

Friday 26.1

- 08:30 Mr. Daniel Gustafson, FAO Senior Extensionist, DNDR
- 10:00 H.E. José Pacheco, Vice-Minister, MAF
Mr. Eduardo Oliveira, National Director, DEA
- 12:30 Dr. Gregor Binkert, Coordinator, Swiss Development Cooperation
Ms. Pamela Rebelo, Economist
Mr. Tore Kiosterud, Economist, First Secretary and Norad Assistant Resident Representative, Norwegian Embassy.
- 19:30 Dr. Admir Bay, Managing Director, SEMOC

Saturday 27.1

Reviewing reports

Sunday 28.1

- a.m. Report writing
- 13:00 H.E. José Pacheco, Vice-Minister, MAF

Monday 29.1

- 08:30 Ms. Christine de Voest, Operations Officer, Agriculture, World Bank Office
15:00 Mr. Eduardo Oliveira, National Director, DEA
16:30 Ms. Birgitta Croce, FAO Operations Manager, Pre-Programme
19:00 Ms. Nini Blicher-Olsen and H.E. Ole Blicher-Olsen, Danish Ambassador

Tuesday 30.1

- 07:45 Mr. José Luis Pizzaro, FAO Rural Finance Consultant, PROAP
09:00 Ms. Hermenegilda Thumbo, Head, Projects Department, DEA
10:30 H.E. Carlos Agostinho de Rosário, Minister of Agriculture and Fisheries
14:00 Mr. Preben Gondolf, Head of Development Cooperation, Danish Embassy
19:00 Mr. Artur Gobe, Head, Faculty of Economics, UEM
Mr. Roberto Tibana, Faculty of Economics, UEM
Mr. Antonio de Sousa Cruz, Deputy Director of Economic Statistics,
Ministry of Planning and Finance

Wednesday 31.1

- 09:00 H.E. Isidora Faztudo, Vice-Minister, MAF
Ms. Fernanda Cabanas, Adviser to the Minister on Institutional Issues
11:30 Dr. C.G.J. van Honk, Head of Cooperation, Dutch Embassy
p.m. Data analysis and report writing

Thursday 01.2

- 08:00 Ms. Fernanda Cabanas, Head Agricultural Documentation Centre, MAF, and
Adviser to the Minister on Institutional Issues, PROAP
p.m. Data collection and report writing

Friday 02.2

08:30 Mr. Iain McDonald, Acting FAO Representative

11:30 Ms. Bente Topsøe, Country Representative, Ibis

22:05 Departure from Maputo

Annex 3. List of Persons Met

H.E. Carlos Agostinho de Rosário, Minister of Agriculture and Fisheries

Ms. Filomena Anjos, Veterinarian and DNDR Supervisor of southern Region

Dr. Admir Bay, Managing Director, SEMOC

Dr. Gregor Binkert, Coordinator, Swiss Development Cooperation

H.E. Ole Blicher-Olsen, Danish Ambassador

Ms. Fernanda Cabanas, Head Agricultural Documentation Centre, MAF, and Adviser to the Minister on Institutional Issues, PROAP

Mr. Sergio Chitará, National Director, DNFFB

Ms. Birgitta Croce, FAO Operations Manager, Pre-Programme

Mr. Francisco David e Silva, Economist/IFAD Consultant

Ms. Margarida David e Silva, FAO Programme Assistant

H.E. Isidora Faztudo, Vice-Minister, MAF

Mr. Johnny Flentø, First Secretary, Danish Embassy

Mr. Artur Gobe, Head Department of Economics, UEM

Mr. Preben Gondolf, Head of Development Cooperation, Danish Embassy

Mr. Daniel Gustafson, FAO Senior Extensionist, DNDR

Dr. C.G.J. van Honk, Head of Cooperation, Dutch Embassy

Mr. Thomas Johnson, Project Development Officer, USAID

Mr. Tore Kiosterud, Economist, First Secretary and Norad Assistant Resident Representative, Norwegian Embassy

Ms. Clementina Machungo, National Director, DNDR

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Mr. Richard Newberg, Agriculture and Food Resource Supervisor, USAID

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Ms. Pamela Rebelo, Economist

Dr. Fernando Songane, National Director, DINAP

Mr. Antonio de Sousa Cruz, Deputy Director of Economic Statistics, Ministry of Planning and Finance

Mr. Jørgen Strange-Hansen, Chief Agricultural Adviser, Danish Embassy

Ms. Ann Stödberg, Counsellor of Development Cooperation, SIDA

Ms. Hermenegilda Thumbó, Head, Projects Department, DEA

Mr. Roberto Tibana, Faculty of Economics, UEM

Ms. Bente Topsøe, Country Representative, Ibis

Ms. Christine de Voest, Operations Officer, Agriculture, World Bank Office

Mr. Gregg Wiitala, Supervisory Project Development Officer, USAID

Mr. Carlos Zandamela, Director, INIA