

**Republic of Mozambique**  
**Country Strategy and Programme Evaluation (CSPE)**  
**National Roundtable Workshop**

**Reflections for future strategic directions and priorities for IFAD in  
Mozambique**

**by**

**Sana Foday Kebba Jatta**

**Director, East and Southern Africa Division**

**IFAD**

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Honourable Mr Domingos Lambo, Permanent Secretary, Ministry of Economy and Finance;

Mr Adriano Ubisse, Director Treasury, Ministry of Economy and Finance;

Ms Isabel Sumar, National Director of Cooperation, Ministry of Economy and Finance;

Directors from the Ministry of Agriculture and Food Security (MASA);

Directors from the Ministry of Land, Environment and Rural Development (MITADER);

Directors from the Ministry of Sea, Internal Waters and Fisheries (MIMAIP);

Distinguished representatives of government agencies and projects of this great country;

IFAD Programme Management Department representative, Mr. Paolo Silveri;

Director of the Independent Office of Evaluation of IFAD, Mr. Oscar Garcia;

Esteemed colleagues from the UN family, & representatives of development partners;

Ladies and Gentlemen.

It is my great pleasure to be in your midst today at this national roundtable workshop for the independent country strategy and programme evaluation (CSPE) of the performance of IFAD's investment portfolio in, and for, the rural sector of Mozambique.

This, being my third visit to Mozambique in about three months, since November 2016, of which the last one was less than a month ago with the President Kanayo Nwanze of IFAD, is a clear indication of how important both myself, and IFAD more broadly, considers the IFAD programme in the country. And the presence here today of so many of you high level government officials and development partners of Mozambique further reinforces that conviction and gives us (at IFAD) great comfort that the Government and its partners remain engaged and committed to the common goal of meeting of the SDGs. It is my great pleasure and honour to meet you all and share with you IFAD's lessons and perspectives. The deliberations throughout the day were most enriching for IFAD.

**Ladies and gentlemen**, as you have heard, this independent evaluation, carried out by IFAD's Independent Office of Evaluation, is the second of its kind in Mozambique in recent times. It comes at a crucial stage in the relationship between IFAD and the country, as IFAD starts in earnest to prepare its next results-based Country Strategic

Opportunities Programme (COSOP) in Mozambique for the next 5-7 years (2018-2025) which will coincide with the last leg of Government's long-term vision for national development strategies, known as "Agenda 2025".

IFAD is proud to have been a strategic development partner of Mozambique since the early 80s, and we have together witnessed tremendous strides in the eradication of rural poverty in the country. While fully acknowledging the difficult current economic challenges the country is facing I would like to reassure you all of IFAD's determination to remain by the side of the Government and people of Mozambique in mobilising together the power of carefully targeted investments and policy and institutional reforms that will scale up sustainable rural and agricultural development impact to touch the lives of most, if not all, rural area dwellers and beyond.

Thus, Mozambique will remain one of IFAD's key investment partners in Africa. It already has IFAD's seventh largest country portfolio in the East and Southern Africa Region. Since IFAD began operations in the country in 1982, it has co-financed 12 operations with a total cost of around US\$390 million, of which IFAD itself contributed just under US\$240 million. Together the operations reached a total of around 2.2 million households.

I should emphasise that the ongoing 2011-2018 results-based IFAD country strategic opportunities programme (RB-COSOP) for Mozambique builds on IFAD's experience and lessons learned from past operations in the country, including notable successes in:

- (a) Creating market linkages between small-scale producers and buyers;
- (b) Introducing new technologies and services for fishing communities;
- (c) Setting up savings and credit groups and associations;
- (d) Rehabilitating rural roads for better access to markets and services;
- (e) Introducing important policy changes like protecting artisanal fishing.

The country programme continues its strategic focus on supporting smallholder farmers and artisanal fishers. Its main target group comprises small producers who have the potential to expand and commercialize their activities. IFAD's overriding goal in Mozambique is to help integrate these small-scale producers into profitable and accessible markets. To achieve this goal, it pursues three strategic objectives:

- a. Improving smallholder farmers' and artisanal fishers' access to technologies and services;
- b. Increasing access to and participation in markets for an equitable share of profits;
- c. Increasing access to sustainable financial services in rural areas.

Moreover, IFAD engages in policy dialogue where relevant issues emerge from project operations, and it helps build the capacity of local stakeholders to participate in policy processes. IFAD's country strategy is fully aligned with all the major strategies defining the framework for collaboration between the government and its development partners. Beyond its regular programme of work in Mozambique, IFAD also funds projects with small grants, including: Securing Artisanal Fishers' Resource Rights Project (PRODIRPA); and Accelerating progress towards MDG 1C in Mozambique.

### **Ladies and gentlemen**

We note with humility the Independent Office of Evaluation's findings, especially of their overall rating of the Mozambican portfolio's performance rating of moderately satisfactory. This means for us, in normal layman speak, that while some areas of the portfolio need to be improved we are doing reasonably well overall. The key noteworthy areas for us to particular attention to may be summarised as follows.

*First*, we note the acknowledgement that the country programme was found to be well-aligned with the policies and strategies of the Government of Mozambique and clearly are consistent with national rural development priorities. We will ensure this will continue under the new strategy and country programme.

*Second*, the portfolio was also found to be fully consistent with the 2011-2018 RB-COSOP strategic objectives, with the projects aiming at raising incomes of the rural poor through increased and improved productivity and production, and at marketing the surpluses more profitably. We believe that the CSPE mentioned, but did not take into account more fully, the fact that many of the projects made extra efforts to mobilise additional resources, from IFAD and others like the European Union, to meet even more directly IFAD's overarching goal of improving food security and nutrition of the poor rural people. Consequently, without abandoning the believe that

rural poverty could be reduced through, inter-alia, market-based approaches, in future more efforts will be made to further strengthen the food and nutrition security dimensions of the interventions. This will become more visible in the programme.

*Third*, we accept the CSPE's observation that while the projects are fully aligned with the IFAD targeting policy of reaching the economically active poor, more needs to be done to address the core mandate of IFAD to work with the poorer segments of the rural population and the vulnerable poor like those living with HIV and AIDS. I am here to confirm to you that, without going against IFAD's targeting policy, more will be done to ensure food and nutrition security through increased production, value addition of the marketable surpluses, and reaching out to the poorest segments of rural societies even if that means seeking to link them with others whose mandate it is to support the extreme poor like those affected by HIV and AIDS.

*Fourth*, the CSPE was categorical that more is needed to improve the efficiency of the portfolio. We will heed this by simplifying design wherever possible, work with the government to remove the disbursement and procurement bottlenecks encountered throughout the period such as in the use of E-SISTAFE, etc., as well as ensure more effective project management teams are mobilised in a timely fashion and encouraged to be less exposed to high staff turnovers.

And *fifth*, the IOE evaluation also determined that the main drivers for sustainability were the strong integration between PMUs and line Ministries, the efforts and resources dedicated to capacity development at all levels, and more attention being paid on sustainable environmental and natural resources management across the country programme not just in pockets there-off. These efforts will be supported in future to the maximum extent possible.

I can assure you, **ladies and gentlemen**, IFAD's country programme in Mozambique will continue to grow and become more like a true programme composed of interventions that mutually reinforce each other through internal coherence and synergies, as opposed to being a portfolio of disjointed projects. That is the most logical step in the evolution of the country programme that is comprised of fully satisfactory and successful IFAD-supported projects and programmes. We also owe that ambitious optimistic progression and goal to the excellent leadership

and ownership of the IFAD supported operations by the Government for which IFAD is immensely grateful.

The IFAD Country Office in Mozambique, under the able leadership of the Country Director Mr Robson Mutandi and his predecessors, has made a big contribution in strengthening this partnership with the Government and in ensuring the strategic coordination with other development partners actively engaged in rural Mozambique. IFAD will continue to work side by side with the government to help reach its overarching goal of becoming a middle income country 2025.

The opportunity offered by this independent evaluation highlighted the need to strengthen the mutually beneficial partnership in the key areas I have already mentioned above, and many more I did not mention. As we speak, the IFAD Country Office, is using the findings of this CPE to finalize the drafting of the 2011-2018 RB-COSOP completion report and is beginning the task of formulating the new joint country strategy for IFAD investments in Mozambique for the next 5 years starting in 2018.

In summary, as I hinted to above, the new RB-COSOP will seek to scale up the positive lessons from the current investment programmes in fisheries development, agricultural value chains, rural finance and extension and research, with a strong focus on climate smart interventions, nutrition and food security, women and youth. This will be done in coordination with the government to reflect priorities set in the new National Development Strategy (ENDE – Estratégia Nacional de Desenvolvimento).

In addition, the new country strategy will seek to operationalize the recommendations of the CSPE with regards to policy dialogue, knowledge management and targeting. In this regard principles related to the use of Service Providers will be revisited as well as the efficiency of financial inclusion.

In order to better fulfil this agenda, IFAD is committed to strengthen the IFAD Country Office in Maputo even further. The Country Office is already a sub-regional knowledge hub for Mozambique and other SADC countries.

Finally, let me take the opportunity to thank the Government of Mozambique for the continued support to IFAD's replenishments. This is a clear sign of the cooperative spirit of Mozambique and its solidarity with the global efforts to fight rural poverty.

Please allow me also to thank and congratulate Mr. Oscar Garcia, and his team of independent evaluators, for the great and valuable work they have done. I acknowledge it has been a hard job and, therefore, I am very appreciative of the detailed findings, which I believe are generally valid. As I have indicated we will endeavour to internalise them in the new country strategy for Mozambique to be submitted to the December 2017 Executive Board.

Distinguished guests, partners and government representatives, colleagues, ladies and gentlemen, let me conclude my perspectives and closing remarks by wishing that the strong and long-lasting partnership between IFAD and Mozambique continue and be further enhanced in the future.

Thank You.