

## **Mozambique**

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### **Artisanal Fisheries Resilient Development Project**

#### **Project Design Report**

#### **Main report and annexes**

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# Map of the Project Area



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Map compiled by IFAD | 30-06-2023

## Abbreviations and Acronyms

<b>ANAC</b>	National Administration of Conservation Areas
<b>ANE</b>	Roads National Administration
<b>AWPB</b>	First Annual Work Plan and Budget
<b>BDS</b>	Business advisory and Development Services
<b>CBO</b>	Community-Based Organization
<b>CCA</b>	Community Conservation Areas
<b>CCP</b>	Community Fishery Council
<b>COI</b>	Core Indicators
<b>COSOP</b>	Country Strategic Opportunities Programme
<b>CTA</b>	Confederation of Economic Associations
<b>CUT</b>	Single Treasury Account
<b>DA</b>	Designated Account
<b>DDR</b>	Disarming, Demilitarization and Reintegration
<b>DTM</b>	Displacement Tracking Matrix
<b>EDM</b>	National Electricity Company
<b>EFA</b>	Economic and Financial Analysis
<b>ENAMMC</b>	National Climate Change Adaptation and Mitigation Strategy
<b>END</b>	National Development Strategy
<b>EPC</b>	Engineering, Procurement and Construction
<b>ERR</b>	Economic Rate of Return
<b>ESAN</b>	National Strategy for Food Security and Nutrition
<b>e-SISTAFE</b>	State Financial Management Information System
<b>ESMF</b>	Environment and Social Management Framework
<b>EU</b>	European Union
<b>EWS</b>	Early Warning System
<b>FAO</b>	Food and Agriculture Organization
<b>FM</b>	Financial Management
<b>FPIC</b>	Free Prior and Informed Consent
<b>FRELIMO</b>	<i>Frente de Libertação de Moçambique</i>
<b>FUNAE</b>	National Energy Fund
<b>GALS</b>	Gender Action Learning System
<b>GDP</b>	Gross Domestic Product
<b>GEF</b>	Global Environment Facility
<b>GHG</b>	Greenhouses Gases
<b>GRM</b>	Grievance Redress Mechanism
<b>GR4W</b>	Green Roads for Water
<b>LF</b>	Logical Framework
<b>LNG</b>	Liquefied Natural Gas LNG
<b>LPA</b>	Lead Programme Agency
<b>ICT</b>	Information Communication Technology
<b>IDEPA</b>	National Institute for Development of Fisheries and Aquaculture
<b>IDPs</b>	Internally Displaced People
<b>IGA</b>	Income Generating Activity
<b>ILO</b>	International Labor Organization
<b>INAM</b>	Meteorology National Institute
<b>INAMAR</b>	National Sea Institute

<b>INFRAPESCA</b>	National Institute for Fisheries Infrastructure
<b>INGD</b>	National Institute for Disaster Management
<b>INIP</b>	National Institute for Fisheries Inspection
<b>InOM</b>	Oceanographic Institute of Mozambique
<b>IOM</b>	International Organization for Migration
<b>IPC</b>	Integrated Food Security phase classification
<b>IPRM</b>	Integrated Project Risk Matrix
<b>KM</b>	Knowledge Management
<b>MEF</b>	Ministry of Economy and Finance
<b>M&amp;E</b>	Monitoring and Evaluation
<b>MIMAIP</b>	Ministry of Sea, Inland Waters and Fisheries
<b>MIREME</b>	Ministry for Mineral Resources and Energy
<b>MPA</b>	Marine Protected Area
<b>MTA</b>	Ministry of Land and Environment
<b>MTC</b>	Ministry of Transport and Communications
<b>MOPH</b>	Ministry of Public Work and Housing
<b>MSME</b>	Micro, Small, Medium Enterprise
<b>NAP</b>	National Adaptation Plan
<b>NDC</b>	Nationally Determined Contribution
<b>ND-GAIN</b>	Notre Dame Global Adaptation Initiative
<b>NORAD</b>	Norwegian Agency for Development Cooperation
<b>NPMU</b>	National Project Management Unit
<b>NPV</b>	Net Present Value
<b>ODK</b>	Open Data Kit
<b>ORMS</b>	Operational Results Management System
<b>PAMRDC</b>	Multisectoral Action Plan for the Reduction of Chronic Undernutrition
<b>PASAN</b>	National Plan for Food Security and Nutrition
<b>PCR</b>	Credit Groups
<b>PDO</b>	Project Development Objective
<b>PEDSA</b>	Agriculture Development Strategy
<b>PESPA</b>	Master Plan for Fisheries II and the Artisanal Fisheries Development Plan
<b>PIM</b>	Project Implementation Manual
<b>PMU</b>	Project Management Unit
<b>PP</b>	Procurement Plan
<b>PPP</b>	Public Private Partnerships
<b>4P</b>	Public Private Producer Partnership
<b>PROAZUL</b>	Fund for Development of Blue Economy
<b>PROAQUA</b>	Project for Promotion of Small-Scale Aquaculture
<b>PROCAVA</b>	Inclusive Agri-food Value Chain Development Programme
<b>PRODAPE</b>	Small-scale Aquaculture Development Project
<b>PRODIRPA</b>	Project for the Strengthening of Access Rights to Resources for Artisanal Fishermen
<b>PROPEIXE</b>	Artisanal Fisheries Resilient Development Project
<b>PROPESCA</b>	Artisanal Fisheries Promotion Project
<b>PRN</b>	Nutritional Rehabilitation Program
<b>PSC</b>	Project Steering Committee
<b>PwD</b>	Persons with Disability
<b>REDD+</b>	Reduction of Emissions from Deforestation and Degradation
<b>REFP</b>	Rural Enterprise Financing Project

<b>RENAMO</b>	<i>Resistência Nacional Moçambicana</i>
<b>REPMAR</b>	Maritime Fisheries Regulation
<b>RMC</b>	Road Maintenance Committee
<b>SAI</b>	Supreme Audit Intitution
<b>SDG</b>	Sustainable Development Goals
<b>SECAP</b>	Social, Environment and Climate Assessment Procedures
<b>SGBV</b>	Sexual Gender-Based Violence
<b>SO</b>	Strategic Objective
<b>SWIOFC-NC PP</b>	Nairobi Convention Partnership for Resilience Marine and Coastal Ecosystems and Livelihoods
<b>TA</b>	Administrative Court
<b>ToC</b>	Theory of Change
<b>TVET</b>	Technical and Vocational Education and Training
<b>UN</b>	United Nations
<b>UNDP</b>	United Nations Development Programme
<b>UNFCCC</b>	United Nations Framework Convention on Climate Change
<b>VC</b>	Value Chain
<b>WB</b>	World Bank
<b>WFP</b>	World Food Programme
<b>WWF</b>	World Wild Fund

## In line with IFAD mainstreaming commitments, the project has been validated as:

Be gender transformative  Be youth sensitive  Be nutrition sensitive  Prioritize persons with disabilities  Prioritize indigenous peoples  Include climate finance  Build adaptive capacity

## Executive Summary

The PROPEIXE project will support African Union Blue Economy plans, by building on the strong IFAD record in the fishery sector. With a total of US\$63.3 Million the project will, within 7 years of implementation, reach 90,000 small-scale fishers as direct beneficiaries in 5 coastal provinces, sustainably increasing their income, nutrition and food security by addressing the main barriers they face, with regards to sustainable production and marketing.

Mozambique's economic development over the past four decades has been uneven. GDP growth dropped to 2.3 per cent in 2019 due to the combination of a 'hidden debt' crisis<sup>[1]</sup>, and COVID-19 pandemic, and declined further to -1.2 per cent in 2020<sup>[2]</sup>.

Despite the setbacks according to the 2023 World Bank's Mozambique Economic Update report, the medium-term economic outlook is positive, with growth expected to accelerate to 6 per cent over 2023-2025, driven by continued recovery in services, increased LNG production in Cabo Delgado province<sup>[3]</sup> and high commodity prices.

The country ranks 185th out of 191 countries on the Human Development Index (HDI) in 2021/2022. Mozambique has a population of approximately 32 million (50.9 per cent women), with a growth rate of 2 per cent, and 62.3 per cent of the population is rural. Life expectancy is 61 years. In 2022, Mozambique ranked 181/188 on Human Development Index<sup>[4]</sup>.

Regarding nutrition, 40.4 per cent of the population were classified as food insecure, and 33 per cent undernourished in 2020<sup>[5]</sup> with particularly elevated levels in the north. The contribution of fisheries to the GDP is estimated to be around only 2 per cent, however the sector highly contributes to food security and nutrition, being responsible for 50 per cent of the country's daily protein<sup>[6]</sup>.

Finally, the country is on the FY24 list of countries with fragile and conflict situations<sup>[7]</sup>. The main drivers of fragility include: (i) medium intensity conflict; (ii) high prevalence of rural poverty and regional inequalities between the south and the north of the country, as well as inequality with urban centres; (iii) weak institutions and governance; and (iv) high vulnerability to natural disasters and climate change (CC).

In this context, the rationale for IFAD involvement is based on the importance of the artisanal fishery sector to poverty alleviation along some of the poorest communities at the coast, and food security across the country. IFAD comparative advantage in supporting the sector is anchored in the long-term support to the fisheries sector with previous and current projects.

The key challenges that the project will address are: (i) the degradation of marine natural resources and its negative impact on fisheries stocks; (ii) low profitability of the fishing activity due to inefficiencies and value chain fragmentation, poor fish handling, lack of access to new technologies and businesses for youth subsequent move away from the sector, and invisibility of women's contribution to post capture activities; (iii) vulnerability of coastal fisheries infrastructure due to climate change; (iv) and the need to strengthen the capacity of relevant Government institutions in the delivery of last mile services.

**The PROPEIXE goal** is to "sustainably increase the incomes, nutrition and food security by addressing the main barriers to sustainable production and marketing for artisanal fisheries". The **Project Development Objective (PDO)** is to "increase the sustainability of fishery value chain returns, by promoting responsible fisheries, community conservation and restoration of ecosystems and biodiversity, while also supporting fishery community resilience<sup>[8]</sup> through diversification of livelihoods".

The geographic area covers five provinces along the country's coastline: Inhambane, Sofala, Zambézia, Nampula and Cabo Delgado and a total number of 21 districts. The project will target mainly households who are poor and on the fringes of the market economy, with high vulnerability to CC. The main target group consists of small-scale fishers engaged in coastal artisanal fishery and along the value chain. The project will also focus on specific vulnerable groups such as women, youth, Persons with Disability (PwD), Internally Displaced People (IDPs) and returnees in the Northern Provinces.

The total programme outreach is estimated at approximately 90,000 direct beneficiaries (57,500 receiving the full set of project services— e.g. information, trainings, access to finance; and 32,500 persons benefiting only from the rehabilitation of feeder roads). The project will reach 40,000<sup>[9]</sup> households corresponding to 172,000 individuals (household members)<sup>[10]</sup>. Women and youth will constitute at least 50 and 40 per cent respectively of the beneficiaries receiving the full set of project services<sup>[11]</sup>.

The project development objective will be achieved through the effective implementation of three interlinked components:

**Component 1:** Resilient artisanal fisheries and ecosystem management; **Component 2:** Inclusive fisheries climate resilient value chain development and livelihood diversification; **Component 3:** Institutional strengthening, project management and policy initiatives; and **Component 4:** Crisis and Disaster Risk Reduction.

The Ministry of Sea, Inland Waters and Fisheries (MIMAIP) will be the project's Lead Agency, delegating IDEPA to oversee daily implementation guaranteed through Project Management Units (PMUs). MIMAIP will coordinate with other government agencies that will participate in the project implementation.

The project costs are estimated at US\$63.3 million, including base costs of US\$62.0 million and estimated price and physical contingencies of (US\$1.3 million). Investment costs have been estimated at US\$57.6 million, with recurrent costs at US\$4.4 million.

PROPEIXE will be financed as follows: IFAD financing US\$29.3 million (46 per cent of the total project costs); Co-financing from Global Environment Facility (GEF), US\$8.90 million<sup>[12]</sup>; and Private Sector, estimated at US\$5.4 million. Potential parallel financing from the Government of Norway is estimated at US\$3 million, and Domestic financing from the Government of Mozambique and Beneficiary contribution, estimated at US\$5.6 million. The project has been designed with a financing gap of US\$11.06 million which will be covered by potential co-financing institutions.

PROPEIXE is projected to yield a baseline Economic Rate of Return (ERR) of 31 per cent, with a positive Net present Value of US\$105 million (MZN6.6 billion).

The environmental and social classification of PROPEIXE is substantial due to the following risks: overfishing; habitat damage from certain fishing equipment or techniques; mangrove overexploitation for firewood; loss of biodiversity and degradation of coastal ecosystems; and liquid effluent from fisheries processing, packaging, and marketing operations. The Environment and Social Management Framework (ESMF), has been developed to guide implementation and prevent negative effects on the environment and social systems.

The expected results of PROPEIXE are the increased resilience of the artisanal fishery, and the improved economic resilience and profitability of local fishers' livelihoods.

## 1. Context

### A. National context and rationale for IFAD involvement

#### a. National Context

- 1.
2. **Political, economic and social context.** Mozambique is a democratic country ruled by Frente de Libertação de Moçambique (Frelimo) party since 1994. Starting in 2017, the country has been affected by insurgency in Cabo Delgado, a northern province, where the country's liquefied natural gas (LNG) infrastructure is located.
3. It is a low-income country with a GDP per capita of approximately below US\$450. The average annual per capita growth rate is negative, being -4.1 in 2020 and -0.5 in 2021 (WB, 2021)<sup>[13]</sup>.
4. The economy is recovering from the protracted slowdown in recent years. According to the last IMF Country Report (July, 2023)<sup>[14]</sup>, growth is projected to rise to seven per cent in 2023 driven by the offshore LNG platform that started operations in October 2022. Despite the positive trends, significant risks remain, mainly due to: i. adverse climate events; ii. the Ukraine crisis - which has aggravated inflation and increased fiscal pressures, due to subsidies (fuel and food), introduced to mitigate rising living costs - after raising the main policy rate by a cumulative 400 basis points in 2022, *Banco de Moçambique* (the central bank) is expected to hold the rate at 17.25 per cent in 2023, with inflation dropping below 10 per cent owing to the fall in global commodity prices<sup>[15]</sup>; iii. fragile security situation; and iv. a public debt assessed at high risk of distress by IMF.
5. Mozambique has a population of approximately 32 million (50.9 per cent women), with a growth rate of 2 per cent, and 62.3 per cent of the population is rural. Life expectancy is 61 years. In 2022, Mozambique ranked 181/188 on Human Development Index<sup>[16]</sup>.
6. Multidimensional poverty rate is estimated at 73 per cent while national poverty line accounts for 46.1 per cent and International Poverty line at 63.7 per cent (PPP 1.90 a day)<sup>[17]</sup>. The highest proportion of severely poor live in the rural areas, predominantly in the Northern provinces.
7. Eighty per cent of the total population is engaged in informal labour, for which only 12 per cent receive a wage. Although artisanal fishers produce 85 per cent of the annual catch, only 10 per cent of the sector's labor force is employed in processing and marketing, indicating substantial post-harvest economic opportunities<sup>[18]</sup>, especially for youth and women.
8. **Food security and nutrition.** In 2020, 40.4 per cent of the population was classified as food insecure, and 33 per cent undernourished in 2020<sup>[19]. [20]</sup> by the WB, with particularly elevated levels in the north. The contribution of fisheries to the GDP is estimated to be around only 2 per cent, due to its informality and small-scale subsistence nature of the activity, however the artisanal sector is responsible for 50 per cent of the country's daily protein which makes it important from a nutrition perspective, even if economic contribution to the economy do not reflect this magnitude<sup>[21]</sup>.
9. The Integrated Food Security Phase Classification (IPC) (November 2022)<sup>[22]</sup> estimated that 2.8 million people in Mozambique are classified in IPC Phase 3 (Crisis) and 400,000 people in IPC Phase 4 (Emergency). It is also estimated that 8.2 million people reported insufficient food consumption and majority of Mozambican (80 per cent) unable to afford a healthy diet (WFP,



2021)<sup>[23]</sup>.

10. **Stage in transition and presence of fragility**<sup>[24]</sup>. Since 2017 there has been an armed insurgency in the Northern provinces, and the security situation remains volatile. In 2021 the country was, again, included in the World Bank's List of Fragile and Conflict-affected Situations and still remains in the list (FY24 FCS)<sup>[25]</sup>. Contributing factors include limited employment opportunities for youth particularly related to the oil and gas industries, and limited social services in the region. The insurgency has led to the displacement of thousands of households, family separation, increased exposure to Sexual Gender-Based Violence (SGBV), forced recruitment, and exploitation ultimately deepening social vulnerability in Cabo Delgado, the epicenter of the violence<sup>[26]</sup>.
11. **National Elections.** Elections for the 65 municipalities will be in October 2023 and will inform the outlook of the general election scheduled for October 2024.
12. **National strategies, policies and/or programmes.** PROPEIXE's is aligned and will contribute to the Mozambique's key policy instruments, namely:(i) National Development Strategy (ENDE 2015–2035); (ii) Government's Five-Year Plan 2020–2024; (iii) National Strategy for Food Security and Nutrition (ESAN III);and other national plans/strategies/policies/programmes which aim to improve artisanal fisheries performance, rural poverty reduction and enhanced food security, such as: (i) the Master Plan for Fisheries II and the Artisanal Fisheries Development Plan – PESPA (currently under review);(ii) the Blue Economy Development Strategy (under development); (iii)the Resilience and Integrated Development Program (PREDIN), the Government multidimensional response to the crisis in Cabo Delgado.
13. **Key actors and institutional arrangements and multi-sectoral platforms.** The fisheries sector has a range of institutional capacities assumed by different government bodies, including: (i) MIMAIP with overall policy, regulatory, coordination and sector oversight responsibilities; (ii) the National Institute for the Development of Fisheries and Aquaculture (IDEPA), currently responsible for fisheries and aquaculture development in Mozambique - including the provision of extension support; (iii) the National Oceanographic Institute (InOM) main responsible for fisheries research; (iv) the National Fisheries Administration (ADNAP), with increased role on fisheries administration, management and co-management in collaboration with CCPs, as well as the national fisheries statistics system; (v) INFRAPESCA, with the overall role to manage all fisheries ports and infrastructures; among other key institutions; vi) Ministry of Land Environment (MITA) is in charge of putting government policies on land, forests, climate change, wildlife, environmental management, conservation areas, and rural development into action.

#### **b. Special aspects relating to IFAD's corporate mainstreaming priorities**

14. **Nutrition:** Malnutrition remains a major issue in the country. Traditional beliefs, early marriages and subsequently early pregnancies are important determinants of malnutrition. In addition, the country is prone to weather related shocks that further jeopardize food security and nutrition in certain areas. Poor diet diversity and inadequate feeding practices are also resultant of lack of knowledge, low levels of education and limited understanding on the importance of balanced and diversified diets. Therefore, there is need to provide knowledge about balanced eating habits and diversified diets, enabling them to appropriately produce, process, store and prepare food.
15. Malnutrition affects 38 per cent of children under 5 (mainly in rural areas). The rates become progressively higher from south to north. Stunting is over 50per cent in the northern provinces of Nampula and Cabo Delgado, while it is lower than 30 per cent in the provinces of Maputo and Gaza<sup>[27]</sup>. Differences in stunting levels are also related to maternal education and wealth levels<sup>[28]</sup>.
16. **Gender:** Gender inequality in Mozambique is acute, with the country ranking 136 out of 162 countries in the Gender Inequality Index (0,537)<sup>[29]</sup>. According to UNFPA<sup>[30]</sup>in 2017, 28 per cent of teenage girl had already been married or in a union. The proportion of under-age married girls was about 40 per cent in the Northern provinces, compared to 5-15 per cent in the provinces of the South.
17. Furthermore, women account for 59 per cent of the informal labour sector, but only 20per cent of them receive salaries<sup>[31]</sup>. Women are under-represented in decision-making platforms and bear disproportionate responsibility for unpaid care-giving and domestic work. This, combined with illiteracy (girls are more likely to drop out of school than boys),has led women to continuous deprivations in the economic and social sectors.
18. **Women in the Fishery sector:** Women play an active role in the fishery sector, mainly at subsistence level, representing 53.3 per cent. They are also engaged in fish processing, representing 57 per cent<sup>[32]</sup>. On fish trading women dominate the sector in the south, reaching 87.52 per cent in the southern provinces, and around 13.64 in the North<sup>[33]</sup>.
19. Women tend to not be formally organized, and are underrepresented in Community Fisheries Councils (CCPs) and, to a lesser extent, credit groups (PCRs) and market associations. This limits their access to resources, infrastructure and equipment. Lessons from PROPEIXE indicate that promoting activities that result in greater women's access to income is key for their empowerment. The Project Completion Report (PCR) highlights that successful promotion of women has been through savings and revolving credit activities.
20. **Youth:** Rural youth consists of 69 per cent<sup>[34]</sup> of the rural population. According to WB 2022 ( ILO modeled ILO estimate), youth unemployment (labour force age 14-24) remains at 8.1. It is also estimated that around 87 per cent of youth are employed in

vulnerable jobs, mainly in subsistence agriculture or in the informal sector. Unemployment is related to low education levels and varies by geographic location with roughly 8 per cent unemployment in rural areas and 36 per cent in urban areas, but these figures mask a high underemployment rate (80 per cent). Young women suffer from the highest level of unemployment, a situation reinforced by their underrepresentation in socioeconomic and political structures<sup>[35]</sup>.

21. **Strategy for Mainstreaming Themes:** From a gender perspective the project aims to contribute to: (i) Expand women's economic empowerment through access to and control over productive and household assets; (ii) Strengthen women's decision-making role in the household, community and CBOs; (iii) achieve a reduced workload and an equitable workload balance between women and men, girls and boys <sup>[36]</sup>. Women's equal participation and collaboration as active actors and agents of change in the project, will be facilitated through (i) a set of specific enabling measures; (ii) by introducing gender transformative approaches (e.g. GALS); and (iii) strengthening policies and institutional environment to be gender and nutrition responsive.
22. It is expected that more equitable work balance at home; greater voice in household decision-making, a fairer share of economic benefits, and reduction in domestic violence can be achieved through the following activities: (i) conduct training and awareness in gender transformative participatory approach, including male participation and formation of male champions to advocate for women's rights and elimination of GBV; (ii) ensure women and youth occupy decision making positions, specifically in CCPs, Associations and PCRs; (iii) ensure women benefit on a 50% basis from project services and also their equitable participation is ensured through introduction and access to energy saving technologies; and (iv) promote participation of youth in accessing project services; (v) access to financial services and matching grants<sup>[37]</sup> with priority to women and youth. The project will encourage interventions that promote nutritionally diverse and rich foods with focus on the most vulnerable (PLMs and women with children under 5). Furthermore, the project will give priority to PwD to participate in project activities for Income generation, job creation and other services relevant to them as ranking among the poorest and most marginalized. Detailed information is provided in Annex 5 (SECAP).
23. **Climate trends and projections:** Climate projections for Mozambique indicate that temperatures could rise by 1.1°C to 5.1°C by the end of the 21<sup>st</sup> Precipitation patterns are uncertain, but there may be an increase in annual rainfall, accompanied by more intense rainfall events and longer dry periods. Global sea-level rise of 0.26 to 0.77 meters is projected, posing risks of coastal erosion, saltwater intrusion, and storm surges<sup>[38]</sup>. Mozambique is prone to tropical cyclones, which may become more frequent and severe due to rising sea surface temperatures.
24. **Climate vulnerability:** Mozambique is located in the upper-left quadrant of the ND-GAIN Matrix<sup>[39]</sup> as a result of its high vulnerability and low readiness to strengthen its resilience. As a consequence, the country has an urgent need for climate action as well as a significant need for investments and innovations to improve readiness. Mozambique is the 135<sup>th</sup> most vulnerable and the 171<sup>st</sup> out of 192 on readiness<sup>[40]</sup>. Since 2000-2023, Mozambique has been affected by 14 cyclones with coastlines being more vulnerable, where about half of the population lives<sup>[41]</sup>. During the last five years, the country was hit by seven cyclones and in 2023 cyclone Freddy made landfall in Mozambique, the strongest tropical cyclone since cyclone Idai and Kenneth in 2019, which affected 1.1 million people *and displaced* over 84,000 people and 391,000 hectares of land were affected<sup>[42]</sup>. These climate changes impacts can have significant implications for fisheries, food security, and the overall resilience of the country's coastal regions. The project will focus on climate adaptation and resilience with mitigation co-benefits focusing on (i) climate information and EWS; (ii) weather insurance; (iii) climate proofed infrastructure; (iv) livelihood diversification; (v) renewable energy; and (vi) introducing carbon accounting and carbon markets.
25. The project is marked as **Gender Transformational, Nutrition Sensitive and Eligible to Climate Finance**.

### c. Rationale for IFAD involvement

26. The demand for animal protein and fisheries products in Mozambique is expanding. This is attributed to the increasing population, incomes, evolving urban markets, the growing private investments in the country's fisheries and tourism sectors, and the long and extensive coastal line<sup>43</sup>. However, current fisheries production is not enough to meet the prevailing demand levels, in terms of quantity and quality. Much of this supply-demand gap is due to the fact that 80% of landings are by artisanal fishers who do not have access to improved fishing gear, often work individually and are not structured to bulk and supply beyond markets, and have limited if any access to cold chain facilities if they are to enter to the fresh fish – high value supply chain. The situation is exacerbated by recurrent climate shocks that coastal communities are affected, as well as degradation of the natural resources with its negative impact on fisheries stocks. Climate disasters have also had significant destructive impact on public investment in value chain infrastructure such as landing sites and solar installations.
27. This, therefore, requires measures to be taken to transform the prevalent unsustainable fishing practices with a resilient perspective. The previous supported projects in the sector (PPAN, PPABAS, PROPECA, PRODIRPA, etc.), already initiated the process in different areas with great results and impacts ensuring the sustainable use of the fisheries resources. With the approval of the new Marine Regulation (REPMAR), the introduction of new measures to reinforce the biodiversity and ecosystems conservation led by the community, as well as the ban of one of the most used fishing gears in the country (beach seines), there is a need to reinforce the modernization of the artisanal fisheries sector in terms of technology, and selective and environmentally friendly mechanization.
28. Hence, PROPEIXE aims to unlock the development potential of fisheries, a key sector in the economy with high growth potential and potential for rural poverty reduction. It does so by addressing the key challenges for the artisanal fisheries sector and fisheries communities, including: (i) the degradation of natural resources and its negative impact on fisheries stocks – by introducing activities under Component 1 to empower communities to act (ii) low profitability of fishing activities due to inefficiencies and value chain fragmentation, poor fish handling, mobility of youth away from the sector and invisibility of women's contribution to post capture activities – by introducing activities under Sub-Component 2.1 to strengthen local MSME creation and viability as strengthen market linkages; (iii) climate vulnerability of value chain infrastructure – by jointly with public and private sector make climate proofing upgrades to key infrastructure; (iv) and the need to strengthen the capacity of relevant Government institutions in the delivery of last mile services – by helping rebuild technical and logistical capacities for outreach. (expanded further in the TOC section)
29. The project will build into the existing locally based community structures and technologies, ensuring the adoption of climate smart and environmentally sustainable technologies and practices. PROPEIXE will work with targeted beneficiaries, assist them to address their activities constraints, introduce adequate and biosafety measures for semi-processing/processing functions and link them to organized market opportunities.

## **B. Lessons learned**

30. The PROPEIXE design has been informed by lessons from previous IFAD-funded projects (PROAQUA, PRODIRPA and PROPESCA), and from other countries in the region. It is also informed by IFAD's last COSOP (2018-2022) evaluation. Key among these lessons are the following:
31. **Scope and complexity.** Simpler design, less dispersed project area, combined with only essential project components, improve the achievement of results and desired outcomes. PROPEIXE geographical spread is limited to only 5 provinces and 21 districts, which have been carefully selected to achieve high impacts; furthermore, a granular implementation roll-out, meaning that many activities will be market driven allowing for local capacity development and market linkages to shape business opportunities and fisher links to market, as well as area specific in response to the coastal resources and appropriate interventions under Component 1 and 2 – whereby not all activities will be implemented across the entire geo-coverage.
32. **Entrepreneurship transition approaches.** The piloting of innovative sustainable technologies, or alternative livelihoods such as mariculture<sup>[44]</sup>, should always be subject to an economic and financial feasibility/viability assessment that would allow for successful 'pilots', to merit support in becoming the basis of local micro, small and medium enterprises (formal or informal).
33. **Integration of the project within the framework of governance decentralization.** The decentralization of governance is a recent process in Mozambique, which has not yet been completed. The project design must allow some flexibility so that it can be aligned with the decentralization framework. PROPEIXE will benefit from the re-establishment of IDEPA Delegations in all provinces, which will support the production and technical capacity of local fishers to establish sustainable businesses and links to markets, as well as ensure adequate local coordination with all decentralized institutions that provide public support to the fishery sector and coastal communities.
34. Sustainability is defined at different levels of the project: Level 1 – Sustainable Resource management and rehabilitated ecosystem as well as biodiversity. Level 2 – Market – fishing communities gain income and SMEs establish sustainable business relationships/linkages. Level 3 – Local Government – provide much needed last mile extension services in a sustainable way through domestic resource mobilization as well as provision of some paid services (fishing licenses, Sales tax, etc.) with corresponding policies, guidelines and tools for surveillance and enforcement. Level- 4 Vulnerability and disaster risk reduction because of reduced poverty levels, empowered women improved nutrition of HH, sustainable biodiversity and ecosystem management. Embedding projects within government structures and active engagement of private sector (and strong community participation), are key for local ownership and the sustainability of project interventions and outcomes. In the case of artisanal fisheries projects, this lesson is valid from central and provincial Fisheries administration entities, all the way to district administration, which ensures grass root beneficiary engagement. Therefore, the institutional capacity of the districts must be strengthened to promote the development and management of artisanal fisheries, within a participatory framework that includes artisanal fisher organizations and other interested actors. An example of such model is the existing capacity developed by the previous projects (including PROPESCA), which allows local Government staff to conduct and lead the majority of training and capacity building in fisheries technology, handling, processing, as well as the promotion of PCRs.
35. **Private Sector.** Direct private sector engagement, focused on off-takers and markets that create trade opportunities as well as input suppliers that enable production is important for strengthening supply chain linkages between artisanal fishers and markets, ensuring effective management of infrastructures, and provision of key post-production and auxiliary services, such as ice production or storage. Thus, public investment must create an enabling environment to leverage private investment, through engaging in Public Private Partnerships (PPPs) or Public Private Producer Partnerships (4Ps), as appropriate. PROPEIXE design has strong inclusion of the private sector in the delivery of the value chain investments and services.
36. **Financial Services.** Using public financial institutions to distribute formal credit in fishing communities was a necessary first-stage development approach, but due to various organizational weaknesses it does not offer a long-term solution for financing critical investments in the fisheries VC. Since access to finance is a key enabler for investments, it is essential to continue empowering community-based financial organizations to partially fill the existing gap and prepare a pipeline for micro-credit and MSME lending to attract financial institutions that can provide medium to larger lending options. PROPEIXE will use the existing rural finance services (viable and less time consuming) and involving other development partners (e.g. REFP, PROAZUL) rather than attempting to establish project-specific rural finance component. REFP is currently offering adapted and affordable financial products and services to the smallholder farmers, rural entrepreneurs, MSMEs, as well as the direct support to ASCAs through its facilitators network.
37. **Gender Action Learning System (GALS)**, whose success has been proven under PROMER<sup>[45]</sup>, shall be replicated. Based on PROMER female beneficiaries' perception, they experienced a more equitable work balance at home, a greater voice in household decision-making, a fairer share of economic benefits, improved food security and nutrition and reduction in domestic violence<sup>[46]</sup>.
38. **Nutrition Lessons from PROPESCA:** Based on the PCR, by providing training and practical demonstrations on how to produce, preserve and prepare highly nutritious food (including vegetables, carbohydrates, protein vitamins, minerals rich recipes, etc.), the project improved the availability of food and guaranteed a minimum necessary intake for all family members. PROPEIXE has been designed as nutrition-sensitive project, building on the lessons, experiences and capacities developed under PROPESCA.

## 2. Project Description

### C. Project objectives, geographic area of intervention and target groups

39. PROPEIXE benefits from being designed at the same time as the new COSOP (2023-2027), helping to ensure full alignment. By supporting sustainable fisheries co-management it contributes to COSOP's *Strategic Objective 1: sustainable natural resource use management to increase resilience to environmental shocks and the impacts of CC*. By building the fisheries value chain, it contributes to *SO2: integrated nutrition sensitive VCs for improved productivity, sustainable market access, and off-farm employment for small scale farmers*. Finally, by building the capacity of community groups and MIMAIP it contributes to *SO3: institutional strengthening*. PROPEIXE will also contribute to the three SOs in IFAD's Strategic Framework 2016-2025.
40. The PROPEIXE goal is to "sustainably increase the incomes, nutrition and food security by addressing the main barriers to sustainable production and marketing for artisanal fisheries". The Project Development Objective (PDO) is to "increase the sustainability of fishery value chain returns, by promoting responsible fisheries, community conservation and restoration of ecosystems and biodiversity, while also supporting fishery community resilience through diversification of livelihoods".
41. **Artisanal Coastal Fisheries Value chains:** Coastal fisheries are highly informal, dominated by small-scale players and a mixture of subsistence and commercial drivers. The geographically dispersed fishing centres and deficient connectivity has also contributed to the dispersion landing points, leading to difficulties in aggregation of product, deficient services, such as storage and cold chain. The value chain is characterised by many mostly informal, and unstructured transactions, that offer little to no backward price-visibility or certainty for fishers. The high perishability of the product is mostly tackled using traditional methods of conservation, such as fish drying, which is then widely traded across national and regional traditional open-air markets. Fresh fish supply chains are relatively localised and characterised by nearest district or provisional level sales, with some individual traders from Maputo sourcing through largely limited procurement requests. Fisher price-setting capacity is extremely limited due to the lack of conservation capacity.
42. **Target Group:** Typically, small-scale artisanal fishers (including collectors) are economically poor, unable to cope with negative shocks (e.g. economic, climatic and environmental), and are at risk to fall into poverty. They have limited access to assets and technologies, weak capacity to form groups, use relatively small capital and energy, inefficient technologies and make short fishing trips close to shore (putting pressure on the marine ecosystem).
43. PROPEIXE interventions will cover fishing communities along the coastline, targeting mainly households who are poor and on the fringes of the market economy, with high vulnerability to C. The main target group consists of small-scale fishers engaged in coastal artisanal fishery (production level) and other sections of the value chain (e.g. processing, marketing and service provision), deriving most of their income from fish production and post-production at different scale, from subsistence to market oriented. The project will also target community organizations and businesses and focus to target specific vulnerable groups such as women, youth, PwD and also IDPs in the Northern Provinces.
44. **Geographic targeting and criteria:** The geographic area covers five coastal provinces: Inhambane, Sofala, Zambézia, Nampula and Cabo Delgado, and a total number of 21 districts. This number is not considered to be high since the project will work in few key locations of the selected districts.

**Table 1: Geographic targeting province and districts**

Province	Districts
Cabo Delgado	Pemba, Metuge, Quissanga and Mocimboa da Praia (4)
Nampula	Memba, Ilha de Moçambique, Mossuril, Angoche, Moma (5)
Zambézia	Pebane, Chinde, Mocubela, Maganja da Costa e Quelimane (5)
Sofala	Beira, Muanza, Buzi e Machanga (4)
Inhambane	Govuro, Inhassoro e Vilankulo (3)

45. The provinces, districts, and fishing growth poles have been selected based on a Geographic Targeting Index that combines the following selection criteria: (i) conditions and potential of fishing resources (number of fishers, percentage of production, number of boats and gears)<sup>[47]</sup>; (ii) socio-economic (poverty and food insecurity rates)<sup>[48]</sup>; (iii) habitat diversity and environmental challenges (highly affected ecosystems)<sup>[49]</sup>; and (iv) areas most affected by climatic shocks<sup>[50]</sup>.
46. **Methodology for geographic selection:** The design team in coordination with IDEPA has undertaken a ranking exercise based on the above to identify priority districts (the ones with the highest scores). Districts with lesser scores but adjacent to Districts with high index scores were also included when matching other criteria such as: proximity for project implementation and presence of other interventions to create synergies and maximize the impact<sup>[51]</sup>.
47. Operating in the North of Mozambique will require constant monitoring of the security situation. At the start of implementation, the accessibility to the districts and the security situation will be reviewed by implementing partners in collaboration with UNDSS and relevant agencies to make the final determination of the project area.

48. **Target areas:** From a poverty and food insecurity perspective, the target areas present poverty percentage above 40per cent (with Sofala 44.2 and Nampula 57.1) based on the 2016 available data<sup>[52]</sup>. Targeted districts have different percentages of population above IPC-3 (acute food insecurity): in Cabo Delgado above 49 per cent, Inhambane between 5-15 per cent, Nampula between 10-30per cent; Sofala 5-13 per cent, and Zambézia 5-20 per cent (November 2022)<sup>[53]</sup>. In the districts classified in IPC Phase 3 (Acute) or 4 (Crisis or Emergency), the main contributing factors at that period were the occurrence of cyclones and strong winds – including tropical storm Ana, Gombe and and Freddy (2023).
49. According to IOM/DTM Mobility Tracking Assessment (November 2022), an estimated 935130 IDPs were identified in Cabo Delgado, 89016 in Nampula and 4597 in Niassa. Women account for 50 per cent of the IDP sand children 29 per cent. People in need in 2023<sup>[54]</sup>, includes 976000 IDP by the conflict, 400000 people in host communities and 170000 returnees to their home districts in 2022. Girls and women with disabilities face compounded risks and threats<sup>[55]</sup>.
50. **Programme participants and outreach:** The total programme outreach is estimated at approximately 90000 direct beneficiaries or 40000 households corresponding to 172000 individuals (household members)<sup>[56]</sup>. The number of households reached is lower than the number of direct beneficiaries because the project might benefit more than one beneficiary per household. For example, one Fishermen and his youth son could be receiving training and improved fishing equipment, while his wife is benefiting from IGA, participating in PCRs or Nutrition related activities. Among these 90000 persons, approximately 57500 persons will receive a full set of project services (e.g. information, demonstration and training, access to finance), while an estimated number of 32500 persons will be only beneficiaries of the rehabilitation of feeder roads. Women will constitute at least 50per cent of the programme participants receiving the project services<sup>[57]</sup> (about 27800) and youth 40per cent or 23000 (with 50 per cent being young girls)<sup>[58]</sup>. Some beneficiaries will receive multiple services and below is provided an overview of beneficiaries' total outreach including estimated percentage of participation by women and youth, and final figures removing double counting.

**Table 2: Expected beneficiaries by component 1 and component 2**

<i>Component</i>	<i>Activities and total outreach</i>	<i>Total beneficiaries by activity</i>	<i>Only Infrastr. beneficiaries</i>	<i>final beneficiaries*</i>	<i>women</i>	<i>Youth</i>	<i>% women</i>	<i>% Youth</i>
<b>Component 1</b>	Training in improved fisheries technologies and practices	30 000		30 000	9 000	12 000	30	40
	Strengthening of CCPs	2 400					30	20
	Members of PCRs receiving financial literacy	24 000		24 000	16 800	7 200	70	30
	Persons targeted with IGA training	10 000		3 000	1 800	1 200	60	40
	Youth skills training					2 500	50	100
<b>Component 2</b>	Persons targeted with nutrition training	12 000					100	20
	GALS Trainings	5 000					50	30
	Owners of MSMEs benefiting from Business development services	1 080		540	270	162	50	30
	Persons benefiting only from the rehabilitation of the feeder roads	32 500	32 500					

TOTAL		90040	32500	57540	27870	23062	50	40
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\* removing double counting

51. **Vulnerable households in coastal communities** not directly engaged in fishing but interested to engage in economic activities along the fisheries VC or develop alternative IGAs (including from conservation activities<sup>[59]</sup>), facing different degrees of poverty and vulnerability. It includes: (i) unemployed youth interested in establishing business enterprises to respond to VC demands<sup>[60]</sup>; (ii) women and women-headed households directly involved in fish processing/selling and other IGAs<sup>[61]</sup>; (iii) (iii) vulnerable and marginalised groups such as youth, PwD, IDPs<sup>[62]</sup> returnees, women head of households and women with children under five for nutrition purposes. It is expected that majority of the selected beneficiaries in Cabo Delgado and Nampula will be IDPs and returnees, resulting in approximately 9,000 IDPs beneficiaries (or 2 per cent of IDPs registered in the targeted districts<sup>[63]</sup>), of these 20 per cent will be youth and the majority women. It is also estimated that about 2.6 per cent<sup>[64]</sup> of total beneficiaries' households will be of PwD.
52. **Transformation drivers:** These include inputs suppliers and intermediaries, processors and traders who are involved in distribution and supply to the consumer market. They are key to increase rural resilience and provide development pathways for the small-scale fishers, including generating employment opportunities. In PROPEIXE, private sector will play a crucial role in ensuring market-led enterprise growth and commercial outlets opportunities for small-scale fisheries products.
53. **Targeting strategy:** The project will apply a combination of geographic targeting<sup>[65]</sup>, self-targeting and direct targeting methods for selection of the most vulnerable. In the project specific activities are directed to specific disadvantaged categories (women, youth, IDPs, PwD). The robustness of the target strategy relies on a strong mobilisation and consultation process to be conducted at the beginning of the operations. Furthermore, a dedicated Social Inclusion (SI) Specialist will be part of the PMU to ensure proper implementation of the targeting approach.
54. **Self-targeting:** The programme will mainly work with men and women from fisher communities engaged in fishery activities organized in groups (including CCPs, Market Associations and PCRs), with diverse socio-economic backgrounds (poor and near poor or better off), gender and age groups. The project will ensure the participation of the more marginal rural households (and also IDPs for specific activities), whilst being inclusive of a limited number of so-called "better-off" in order to leverage on their stronger capacity and have a pull effect on the others. Composition of groups will be driven by self-targeting principles ensuring proper mobilisation of women and youth and their representation in decision-making roles (30 per cent women and 20 per cent youth).
55. **Direct Targeting:** Direct targeted activities and promotion of participation will be designed for specific groups, especially the most vulnerable ones and also women and youth. While women and youth are expected to participate overall on a 50 and 40 per cent basis, respectively and benefit from project services on equal basis, specific activities will be targeted to them as the primary target group. Activities will include the provision of (i) livelihood training and packages; (ii) dedicated grants; (iii) technical support to set up small businesses; (iv) skills and enterprise development for youth (including quotas for IDPs and ensuring participation from PwD); (v) finance literacy and access to PCRs; and (vi) Nutrition education.
56. Dedicated nutrition interventions will be considered for the most vulnerable focusing on 12,000 beneficiaries to be selected among: (i) households that are food insecure, and nutritionally vulnerable and have at least one child under the age of five; (ii) Households with a malnourished mother; (iii) women-headed households; and (iv) vulnerable households with pregnant and lactating women.
57. **IDPs/returnees Targeting:** Selection of households from IDPs/returnees in Cabo Delgado and Nampula will consider, e.g. social protection registries, as well as community-based targeting processes, prioritizing the poorer and more food insecure households, the most at risk of CC and vulnerable to fragility risks, such as those with at-risk youth. The project will specifically target returnees in Mocimboa da Praia district in order to support the reconstruction process, and contribute to conflict prevention by addressing key socio-economic drivers of fragility, particularly among youth. Collaboration and coordination with other humanitarian and development agencies will be in place, in line with UN Coordinating response in the North of Mozambique to enhance a harmonized targeting approach. Selection criteria will be clearly defined in close collaboration with stakeholders and potential beneficiaries. Where working with IDPs in host communities, the project will ensure equal inclusion of both and proper mechanisms to minimize conflict.
58. **Social Inclusion and engagement with PwD:** The disability inclusion strategy will consider lessons from the IFAD supported Sparking Disability Inclusive Rural Transformation (SPARK) grant, currently being implemented in collaboration with PROCABA, PRODAPE and REFP, and will: (i) train Disability Inclusion Facilitators (DIF); and (ii) mobilise PwD to become fully engaged in the economic activities of selected value chains; (iii) awareness raising among community and stakeholders. Specific consultation with PwD will ensure their views and aspirations are captured, especially for the design of IGA trainings. PRODAPE is part of the SPARK initiative and all IDEPA extension officers as well Social Inclusion Officers are currently implementing activities linked to PWD. The same officers will be engaged in the implementation of PROPEIXE at local and national level, therefore it is expected that the mainstreaming of PwD interventions under PROPEIXE will be successful.
59. **Women's participation:** Women will be directly targeted, as they are involved to different degrees in the processing and adding value activities along the fishery value chain. Women are amongst the poorest and their access to knowledge, inputs, finance, high value markets and capacity to generate income is heavily constrained by traditional gender roles that will undermine their participation unless gender is mainstreamed into all project's components.
60. **Gender strategy** will contribute to achieve three main objectives: (i) Expand women's economic empowerment through access to and control over productive and household assets; (ii) Strengthen women's decision-making role in the household, community

and CBOs; (iii) achieve a reduced workload and an equitable workload balance between women and men, girls and boys [\[66\]](#).

61. Specifically the project will: (i) conduct training and awareness in gender transformative participatory approach as well as community-led GBV activities (with attention to displaced women and girls); (ii) ensure women in decision making positions in CBOs; (iii) ensure equitable participation (min 50 per cent) of women project services and training, for improved fisheries practices and women friendly and energy saving technologies (Component 1), as well as economic diversification, business advisory and development services (BDS) and Nutrition (Component 2).
62. Reducing GBV requires a holistic approach that engages all members of the community, not just women and girls. PROPEIXE will work with men and women on harassment and GBV (among others) through community sensitization and awareness-raising campaigns. Furthermore the project recognizes the relevance in engaging male leaders, village chiefs, and husbands to shift social norms that act as barriers to women gaining their rights. Male champions will be identified and trained to sensitize other men and the community in general, demonstrating the importance of having men championing women and their rights.
63. Women will be mobilized to become members of PCRs and receive training on finance literacy and alternative IGA among others. The project will promote nutrition education and encourage interventions that promote nutritionally diverse and rich foods (sub-component 2.1). Empowerment for women traders and processors will be considered through the PPP market management arrangements that are based on a consultation process with all market users (many of which are women). This will ensure women traders are heard during negotiations of the management arrangements, and also benefit from improved working conditions and market services, through sub-component 2.2. Under Component 3, the project will support the development of a gender strategy and its implementation plan [\[67\]](#) in the artisanal fishery sector and support its dissemination at all levels (sub-component 3.1). A dedicated SI person, responsible for gender, youth and nutrition will be assigned to PMU to ensure SI activities are properly developed/monitored across project components [\[68\]](#) (sub-component 3.2).
64. **Empowering measures and use of household methodologies (GALS):** The GALS is expected to generate results for better gender equality and women's empowerment, and improved nutrition. GALS will promote purchasing and consumption of nutritious foods (especially for women and children) addressing nutrition gaps; improved food safety practices, food preparation techniques that conserve nutrients and hygiene practices; improved feeding practices for infants and young children. The methodology will encourage household members to work together and reduce women's workload and through environmentally-beneficial solutions. Furthermore, male gender change champions will be identified and will contribute to support activities on gender awareness and sensitisation.
65. **Fragility and conflict lens:** The project will target districts in Cabo Delgado and Nampula affected by instability and conflict. It will apply measures to minimise risks that inadvertently contribute to fragility and maximise resilience outcomes, including focus on at-risk youth, supporting alternative livelihoods and CCPs for engagement and dialogue to strengthen social cohesion between groups and local authorities. A conflict assessment was conducted to identify risks and opportunities to build communities' resilience to fragility and instability. Furthermore, a Crisis and Disaster Risk Reduction Component where contingency resources have been considered. This component is included as a mechanism to reduce project and beneficiary vulnerability to climatic hazards and other shocks.
66. **Youth participation:** Youth are more likely to be resource poor, lack control over assets and have limited livelihood options, but their integration into rural economies has long-term positive social and economic consequences, including community resilience to fragility and instability. Youth (men and women), will be overall 40 per cent of total target beneficiaries and will participate in different activities of their interest and livelihoods e.g. as fishers (boat owners or crew members), traders, processors, entrepreneurs, carpenters, service/inputs providers), thus receiving targeted interventions and trainings on the basis of their aspirations and interest. Particular attention will be given to at-risk youth in the Northern provinces, including IDPs and returnee youth.
67. **Youth Strategy:** Youth related interventions are geared towards the achievement of three main outcomes: (i) Young people increase leadership and representation in decision making in CBOs; (ii) increase their participation in the labour market through access to information, technologies, and skills for improved employability; and (iii) sustainable enterprises and proper business development services (BDS) create opportunity for youth enterprise and self-employment.
68. Under Component 1 youth will be mobilised to become active members of CCPs and associations (with leadership roles on a 20 per cent basis), and to participate in training on new fishery technologies and practises. Under Component 2, youth will be targeted for skills development, enterprise and business development, IGA and access to financial services (including grants for emerging enterprises). Activities and trainings will also take focus on disability inclusion.
69. Dedicated targeted activities will be implemented with focus on fragile areas to support IDP-youths (min. 50 per cent) from Cabo Delgado and Nampula. Activities include youth's support, youth income increase, skills and enterprise development. It is expected that this activity result in 2,500 Youth trained and 800 jobs created, 1,500 attend skills and professional training through TVET (e.g. 3-6-9 months) and 1000 already trained received business development training, coaching and access start-up funds [\[69\]](#).

## D. Components/outcomes and activities

70. **COMPONENT 1: RESILIENT ARTISANAL FISHERIES AND ECOSYSTEM MANAGEMENT** outcome will be "increased resilience of the artisanal fishery", through two main proposed outputs: **Output 1: Effective fisheries management** and **Output 2: Increase in rehabilitated coastal habitat**. Direct beneficiaries of the activities will be local fishers, fishing communities and CCPs.



71. In line with the provisions of the new Maritime Fisheries Regulation (REPMAR, 2020), which prohibits beach seining from January 2024, PROPEIXE will contribute to help fishers' transition to appropriate environmentally friendly fishing gear. These measures contribute to the long-term viability of fisheries and enhance their resilience to climate change impacts.
72. REPMAR also clarifies the path for CCPs to become legal entities, which will allow them to designate community management areas and better implement rules regulating access to marine resources. The component will strengthen CCPs to better manage fisheries and support ecosystem activities, including the restoration of degraded habitats in the mangroves (highly effective in sequestering carbon dioxide), coral reef and seagrass areas. To incentivize the conservation of mangroves, the project will support assessments on the viability of carbon markets with the possibility to pilot in future interventions, drawing from the experience of pioneers in this approach, such as ACORN and Rabobank.
73. To achieve Output 1, the project will finance the implementation of:
74. **Activity Set 1: action research focused on fishing trials to demonstrate improved/selective fishing methods and techniques and training of artisanal fishers** on responsible fisheries and offshore fishing; assessment of the technical, economic, and social viability of the proposed new practices and fishing gear; and dissemination of results at village level, as well as provision of extension services for uptake of those operations that prove to be successful. The training of artisanal fishers will include critical issues on security for open sea activities for both the operators, boats, equipment and fishing gear. This training will include the use of radios, communication equipment, sea safety measures, use life saving equipment, evacuation procedures, navigation aids and fish locating equipment. This activity will cover all the project districts and will be completed within the first year of implementation.
75. **Activity Set 2: support InOM to survey and map potential areas for promotion of mariculture** activities, as part of which IDEPA will implement the pilot trials with selected farmers in the project areas. A clear criterion for suitability, selection and exclusion will be developed for all mariculture activities. The fish farmers will be equally trained by IDEPA technical team and extension staff on the culture systems. This activity will focus on identified and high potential mariculture species mainly on oysters and seaweed culture and bulking. Implementation of these activities will be led by ADNAP, IDEPA and involve InOM and the Fisheries School. Selection of species for mariculture will be based on screening for growth characteristics, endemism, preferences, availability of seeds and feeds and proven culture technologies. The assessment will also take into account actual or potential market demand for the selected species and products. Year 1 survey will focus on Pemba, Metuge and Quissangain Cabo Delgado; in Momba, Mussorli and Ilha de Moçambique in Nampula; Pabane, Mocubela and Maganja da Costa in Zambézia; Beira, Buzi and Machanga in Sofala; and Govuro and Inhassoro in Inhambane. Year 2 activities will be expanded to Mocimboa de Praia in Cabo Delgado; Angoche and Moma in Nampula; Chinde and Quelimane in Zambézia; Muanza in Sofala; and Vilankulo in Inhambane, taking into consideration the logistics of contiguous and isolated districts.
76. The project will support capacity building of the fishermen, extension workers and relevant project staff on improved/new fishing techniques, and monitoring of artisanal catches will be promoted through capacity building and demonstrations, based on evidence collected by the CCPs and artisanal fishermen in collaboration with ADNAP. 30,000 fishers will receive training.
77. The project will ensure that gender issues are mainstreamed, and women empowered to participate in fishery trials and experimentation. For full detail on all project activities refer to the Project Implementation Manual (Annex 8).
78. To achieve Output 2, the project will finance the implementation of:
79. **Activity Set 3: work with InOM to map out sensitive and degraded habitats with the mangroves, coral reefs and seagrass beds for rehabilitation.** This will entail activities such as: the participatory identification of high priority areas for restoration and protection, using ecosystem-based approaches, secondary data and empirical evidence from the coastal communities; training of CCPs on fisheries co-management and building their capacity for leadership and governance; development of fisheries management plans that define the roles and responsibilities of various stakeholders; support community efforts towards the development of mangrove tree nurseries and production of mangrove seedlings for both planting and re-planting; improve disaster risk management and climate adapted technologies; pilot new technologies such as energy efficient stoves as well as pilot risk mitigation measures such as weather asset insurance schemes, potentially engaging with PULA. It is expected that at least 240 CCPs will be strengthened, benefiting 2,400 CCPs members. High loss of mangroves has been reported in Zambezi delta *Primeiras* and *Segundas* from 2,000–8,000Ha. Sites for rehabilitation will be identified through participatory mapping.. This activity set will be closely linked to co-management activities that will define non fishing zones (conservancies), fish breeding areas, re-forestation areas and restoration activities to be carried out. Planting and replanting of mangroves will be carried out as outlined in the co-management plans. An Integrated Coastal Zone Management (ICZM) approach will be used for synergy among complementary conservation interventions. Specific activities will include: i) designation of Community Conservation Areas (CCAs) by where human activities, such as fishing and mining, are restricted or regulated to protect marine biodiversity; ii) coral reef protection include coral restoration projects and enforcing fishing regulations; iii) seagrass restoration involve replanting seagrasses and reducing sources of degradation; iv) mangrove conservation activities including replanting mangroves, protecting existing mangrove areas, and managing human activities in these zones; v) fisheries management involving enforcing catch limits where they exist, reducing bycatch, and promoting responsible fishing methods; vi) reducing land-based pollution, such as plastic waste and agricultural runoff through organic and climate smart agriculture, materials recycling programs, strict waste disposal regulations, and promoting eco-friendly practices; and vii) climate change mitigation such as reducing greenhouse gas emissions, promotion of green economy, carbon capture, supporting R&D on resilient marine species and ecosystems. These activities will be complemented by education and outreach by raising awareness and educating the public about the importance of marine habitat conservation. Encouraging responsible and sustainable tourism practices to reduce the negative impacts of tourism on marine habitats while providing economic benefits to local communities.
80. **Activity Set 4: will support INAM[70] in equipping a meteorological station to provide updated information to fishers**

**and thereby strengthen the availability of suitable tools for climate resilience.** This will support the establishment or enhancement of climate information systems and Early Warning Systems (EWS) at the community and regional levels, enabling fishing communities to make informed decisions and take appropriate adaptive measures. This includes access to weather forecasts, oceanographic data, and relevant climate-related information. It will also provide targeted capacity building and training programs for fishing communities and value chain actors on climate adaptation strategies. This can include training on climate-resilient fishing practices, climate risk assessment and management, and the use of climate information and EWS.

81. **COMPONENT 2: INCLUSIVE FISHERIES CLIMATE RESILIENT VALUE CHAIN DEVELOPMENT AND LIVELIHOOD DIVERSIFICATION** outcome is improved economic resilience and profitability of artisanal fisheries and local livelihoods.
82. Building on the foundations laid and knowledge gained through the studies and activities of Component 1, this result will be achieved through the implementation of interventions that lead to a better performance of artisanal fishing production, post-harvest and commercialization of fish, awareness on climate change impacts and adaptation opportunities, greater entrepreneurship capacity and access to finance; and the development of climate-resilient infrastructure, while addressing issues related to social vulnerability, financial inclusion, and nutrition and gender mainstreaming in targeted fishing communities. This will be achieved through the following: **Sub Component 2.1: Sustainable entrepreneurship and livelihoods development**, and **Sub Component 2.2: Value chain driven and climate resilient infrastructure development**.
83. Direct beneficiaries of the related activities will be men, women and youth engaged in the production and post-production of fish, including service delivery.
84. The artisanal fisheries sub-sector is undergoing a transformation, from fishing in nearshore areas to open sea operations. Stringent fisheries management regulations and safety protocols, such as proper equipment maintenance and security training, are essential safeguards to ensure the safety of fishermen. Component 2 (C2) aims to accelerate this transformation, while addressing the need for livelihood diversification and the challenges associated with securing resources, climate and environmental sustainability.
85. This component is directly linked to Component 1 through a transition approach that will identify successfully tested sustainable fishing practices and methods and assist them to progress into viable market-oriented operations. C2 is also linked to sub-component 3.1 (SC3.1), Institutional Strengthening and Policy Support, in which the creation of an enabling policy and operational environment will be anchored.
86. It will integrate climate considerations into the livelihood diversification. Identify alternative IGAs that are less vulnerable to CC impacts and support the adoption of climate-smart practices.
87. **SUB-COMPONENT 2.1: Entrepreneurship and livelihoods development.** Under **1**, the project will deliver **Output 1: Sustainable and green fisheries enterprises developed**. This will be achieved through implementation of three key sets of activities:
88. **Activity Set 1: Promote the private upscale of sustainable fisheries technologies successfully piloted under Component 1** will aim to develop economically viable and climate smart local activities along the fisheries VCs, as well as alternative green livelihood options that build on the 'pilots/trials' that have proven economically viable under Component 1 and are ready to upscaled and supported under Component 2.
89. Under Activity Set 1, the project will support interventions in fishery production and post-production, including alternative IGAs, including provision of technological packages and support services to: (i) upscale pilot mariculture initiatives crucial for climate adaptation by reducing pressure on terrestrial ecosystems strained partly by climatic factors such as massive floods, and enhancing coastal communities economic and environmental resilience; (ii) expand open sea fishing; (iii) improve post-production activities; and (iv) implement viable off-fishery alternative livelihood options.
90. PROPEIXE will seek to improve the quality of traditionally processed fish products in order to expand access to affordable (and healthy) animal protein sources for local low-income consumers; and implement activities such as: consumer awareness campaigns on the quality of fish and its nutritional value, including its contribution to diversified diets.
91. In addition, green alternative livelihoods such as mangrove honey production, mariculture and micro-food businesses, piloted successfully under C1 will also be upscaled in C2. Nutrition education and behaviour change programs to ensure that income generated is translated into improved dietary intake at household and individual levels will also be supported.
92. The project will also assist quality certification of fish products, ensuring the adoption of the country standards for fish products certification [\[71\]](#), limited in scope to main landing sites and public markets facilities, as well as for exports in the region. PROPEIXE will build on the Open Artfish ICT platform that collects fish selling price at the landing points and will support IDEPA to establish routine data collection in selected reference markets [\[72\]](#). These data sets are to be collated and made available to buyers and sellers via mobile phone messaging services.
93. **Activity Set 2: Promote the development of sustainable fisheries enterprises** will aim to develop business start-ups and MSMEs and facilitate access to financial services.
94. PROPEIXE will provide support to incubators and start-ups to form MSMEs in fishing and post-production operations [\[73\]](#), through training to strengthen business skills and assistance to develop business plans that will enable presenting bankable requests to financial service providers.
95. Project will support the identification and piloting of 4P models that can strengthen inclusive supply chain linkages between small and larger players, as well as provide engagement capacity of local fishing communities in these 4P models, and brokering of

buyers-seller's agreements.

96. Service providers, currently supporting various donors and projects in agriculture, will be outsourced to design and implement the following programs: (i) youth employment and entrepreneurship; (ii) formation of GALS champions; and (iii) nutrition education activities. Within this context, the project will also strive to support women's capacity to remain engaged in the different nodes of the VC (and other remunerative opportunities) and keep on benefiting from it as they engage in more market-oriented operations.
97. Under AS2, the project will support business enterprise development through: (i) provision of business development services; (ii) support to group enterprise development; (iii) promotion of 4Ps; and (iv) youth employment and enterprise development.
98. The project will install a limited number of fish aggregation devices (FADs) and artificial reefs using tubular concrete structures, cinder blocks, old tires, shell cultch banks, etc., will also be supported under Component 1. Artificial reefs function as climate-smart approaches by enhancing marine biodiversity, protecting coastal areas from erosion, and sequestering carbon dioxide, contributing to ecosystem resilience and climate change adaptation.
99. The number of fisheries enterprises accessing BDS will reach a total number of 1,085. The distribution by activity type is as follows: (i) inputs provision and services to production (30); (ii) production (245); (iii) fish processing and marketing (490); and (iv) alternative IGAs, (120).
100. **Activity Set 3: Facilitation of access to financial services** will enable local MSME growth and help expand business operations, by assisting enterprises to prepare bankable business proposals and submit applications for financing by REFP and PROAZUL. PROPEIXE will also support interventions aimed to build and strengthen the capacity of 1,200 PCR groups to partially fill the existing gap in financial service provision and strengthen the foundations for sustainable financial service delivery, through: establishment of a network of local promoters<sup>[74]</sup> and facilitating wider use of existing mobile platforms, such as mobile money and payment etc.; linkages to commercial lenders and other innovative financing solutions; mobilisation of women's membership in PCRs groups and finance literacy education among other services; delivery of nutrition education activities via PCRs. These activities are expected to reach 24 000 persons (70 per cent women) as members of PCRs and at least 50 per cent of them (or 12000 participants) to be very poor women also targeted by nutrition education interventions.
101. Under Activity S3, the project will support interventions aimed to bring financial solutions for investments in the VCs, namely: (i) Facilitation of access to financial services; and (ii) Strengthening of PCR groups.
102. Financial mechanisms and insurance schemes that contribute to climate change adaptation tailored to the needs of fishing communities can help them cope with climate-related risks and shocks. This can include microfinance programs, weather-based index insurance, and community-based risk-sharing mechanisms to provide financial support during adverse events.
103. While investments in regular operations will be channeled for consideration under REFP's line of credit and PROAZUL schemes, support for emerging/innovative operations will be made through private sector led 4Ps models, which will include public contribution through matching grant to co-share in the investment in line with the IFAD policies to cater for the specific needs of women, youth, IDPs and People with Disabilities. The successful experience of PROMER model will be adjusted and replicated in the fisheries sector, through out grower joint investments in the fisheries sector.
104. To promote more inclusive VCs, the component will carry out interventions that encourage the participation of women, youth and PwD belonging to IDP, host, and returnee communities, and will support activities that lead to greater social cohesion and financial inclusion. For full detail on all project activities refer to Annex 8: PIM.
105. The overall coordination of the implementation of activities under Sub Component 2.1 will be the responsibility of IDEPA. They will work closely, under a MoUs with InoM, the School of Fisheries and INIP in the evaluation and transition of activities from Component 1 to Component 2. In addition, the Fisheries Specialist hired under Component 1 will support the technical requirements of the new enterprises.
106. Facilitation of access to financial services will be done in partnership with REFP and PROAZUL, using existing mechanisms and procedures, as well the financial products and services (Line of Credit, Crowd-in financing and Matching Grants), that include: i) Eligibility criteria for activities and candidates; ii) Lending thresholds and matching grants criteria; iii) Field support to potential candidates; iv) Submission of applications and selection criteria; and vi) Beneficiaries' training requirements and environmental and social safeguards. All the mechanisms to be used have to be strictly aligned with IFAD's inclusive rural finance policy (December 2021) and shall provide a path towards sustainability.
107. During negotiations of MoUs at the initial stage of project implementation, discussions must be conducted on PROPEIXE's specific aspects and conditions and the necessary adjustments included in the respective Operation's Manual. Beneficiaries will be supported to prepare and submit applications through a coordinated efforts of project staff from PROPEIXE and partner organizations, the BDS service provider team and the IDEPA/SDAE's fishery extension network.
108. Coordination of activities with different entities and levels of implementation (central and local) require strong skills and competences to ensure complementarity of operations. The Market and Value Chain Specialist that will be recruited to assist the PMU core team will be charged with the overall responsibility to provide strategic guidance and help the PMU achieve coordinated interventions in the implementation of the project. The PROPEIXE proposed MGF interventions are alignment and linked with mobilization of the Private Sector funding through a 4Ps approach. Investment projects will be co-designed with the private sector operator, with technical assistance from the Government and the main users (artisanal fisheries) for wider sustainability.
109. **Activity Set 4: Alternative livelihood initiatives**, developed in response to climate resilience and improved resource

management needs will include initiatives contributing to the replacement of beach seining, will be supported working in partnership with local NGOs already involved in similar operations. It is expected that alternative IGAs will benefit about 10,000 beneficiaries (60 per cent women).

110. The project will also hire a Markets and Fishery VC Specialist, housed at IDEPA's Directorate of Fishery Commercialization, who will help coordinate action leading to the sustainable development of fishery enterprises. Continuous on the ground support will be provided by a local service provider of business development services that will also support develop 4P relationships. Qualified service providers will also be outsourced to design and implement the following programs: (i) Creation and capacity building of group enterprises; (ii) Support for youth employment and entrepreneurship; (iii) Strengthening PCR groups; (iv) Formation of GALS champions; and (v) Nutrition education activities.
111. **Sub-component 2.2 - Value chain driven, and climate resilient infrastructure development** will contribute to one broadly defined **Output 1: More resilient fisheries value chain infrastructure established.**
112. SC2.2 will invest in fish value chain related climate proof infrastructure and will support interventions aimed at addressing infrastructure-related constraints faced by artisanal fishers, traders, and other relevant actors. Planned interventions will include supporting climate-resilient and accessible infrastructure investments that: (i) reduce post-harvest losses and add economic and market value; (ii) guarantee food safety and extend shelf life; (iii) upgrade performance and competitiveness of the sector; and (iv) improve the resilience, incomes and livelihoods of poor households involved in artisanal fisheries, including women, youth, and PWD. A detailed value chain assessment will be carried out during the first year of the project implementation to identify and main challenges and opportunities to help shape the targeting strategy. In addition, the IFAD Research and Impact Assessment Division (RIA) will be engaged and involved to conduct the meso-inventory analysis.
113. The operation and management models of these infrastructures, along with necessary capacity building programs are developed under SC2.1. Key activities would include:
114. **Activity Set 1: Feeder Roads Rehabilitation and Climate Proofing** of 360 km of feeder roads<sup>[75]</sup> to ensure that sustainable physical connections between selected production/landing sites and fish markets are provided throughout the year. This activity will improve market access for various actors operating within the fish value chain, reduce transportation costs, and minimize post-harvest losses, by ensuring swift and safe delivery of fresh fishery products to consumers. The rehabilitated/upgraded roads will be climate resilient and adequate drainage systems will be designed and constructed. Additionally, the project will contribute to the routine and periodic maintenance of the rehabilitated roads by dedicating adequate funds, and by forming, training and equipping community-based road maintenance committees (RMCs).
115. One Road Maintenance Committees (RMC) will be formed, trained, and equipped on each road, prior to rehabilitation works. Around 48 RMCs will be formed and strengthened by the project. Their early formation and involvement during rehabilitation will support the routine maintenance activities for which they are responsible. 2-3 routine maintenance cycles/year (through labour based by RMCs) and 1 periodic maintenance (through equipment-based, 2-3 years after rehabilitation) are foreseen. Once the project is completed, it is expected that the RMCs continue maintenance under the guidance of the district road authorities in close consultation with the Road Fund.
116. The selection of roads to be improved will follow a multi-criteria evaluation, scoring and ranking process based on a series of technical, socio-economic and environmental indicators. The selected roads will comply with the project SECAP category in terms of volume of traffic. Roads' design and rehabilitation will respectively be ensured by private consulting firms and private qualified contractors, all to be hired on a competitive basis, while supervision of works will be ensured by the same consulting firm that designed the project, with INFRAPESCA general oversight in close coordination with the local infrastructure authorities and the PMT. After the defects, liability period, the infrastructures will officially be handed over to the respective Districts or Municipalities which should outsource its management to private players under PPP arrangements.
117. All road rehabilitation works will be climate resilient by adopting a Green roads for Water (GR4W), approach that incorporates water management and climate change adaptation in the design and construction. In terms of climate proofing, and depending on the road segments vulnerabilities, engineering-based adaptation measures could include: improvement of subsurface conditions, material specifications, cross section and standard dimensions, drainage and erosion, protective engineering structure; while non-engineering-based options are also possible and could include maintenance planning and early warning.
118. **Activity Set 2: Construction/Rehabilitation or Upgrade of Market, processing and storage facilities.** The project will: rehabilitate/upgrade and operationalize 12 existing fish markets<sup>[76]</sup>; construct/equip 10 fish transit centres with solar powered cold storage equipment and ice making plants and facilities for traditional drying methods, and warehouses; Rehabilitate/Upgrade handling facilities for high quality fish and dried fish (including warehouses) in the wholesale/reference markets (4).
119. The management of these facilities will be done by private players under PPP arrangements, through the establishment of specific MoUs/MoAs. EDM (for power grid) and FUNAE (for alternative energy solutions), will work closely with the PMU on the implementation of these infrastructures.
120. Site selection will be demand driven and will be preceded by an assessment of the public markets facilities to determine feasibility. Regarding the fish markets to be rehabilitated/upgraded, priority will be given to those markets with an already existing design and interest/presence of private sector stakeholders able to engage in market infrastructure management arrangements.
121. PROPEIXE will engage a market management expert/consultant to lead the preparation of market management PPP models and guidelines that would provide the basis for investments and operation plans both from the public and the private side of the partnership. Public sector will retain ownership and also ensure public interest and local business benefits under such PPP arrangements.

122. Concerning the processing centers and the warehouses for dried fish, priority will be given to those that will not benefit from improved access to a fish market, and that are characterized by a relatively higher number of fishers. Regarding solar powered cold storage facilities, priority will be given to those sites not connected to the national power grid, and that are characterized by relatively higher fish production.
123. Private consulting firms will be hired on a competitive basis to conduct the design (or update existing designs) and prepare tender documents including technical specifications for solar powered ice making plants, fish processing centers and dried fish warehouses. While construction works will be carried out by qualified contractors hired on a competitive basis or through EPC contracts, while works supervision will be ensured by the designer. The contractor will be in charge of elaborating O&M manuals and delivering O&M trainings to the respective stakeholders. After the defect's liability period, the infrastructures will officially be handed over to the respective local authorities which should outsource the its management to private players under PPP arrangements.
124. The project will also contribute to the rehabilitation/extension of extension posts and extensionists' houses.
125. NORAD has two main interventions in the fisheries sector. One is for a new investment being designed, and another being implemented by the Global Alliance for Improved Nutrition (GAIN) with Value Chain interventions in artisanal fisheries, including the rehabilitation and construction/upgrading of fish markets (wholesale and retail). PROPEIXE will collaborate with these interventions through a parallel financing mechanism whose, interventions will include common interested infrastructures. Taking into account that GAIN are most advanced in terms of implementation, they are already working with IDEPA with the preparation of the executive designs and proposals for the rehabilitation, that will include a second phase to be supported through PROPEIXE for selected infrastructures.
126. **Private Sector Engagement.** Private sector companies operating in artisanal fisheries comprises small, medium and large-scale enterprises. Most of them are local SME's and there are no multinationals currently operating in the subsector. Companies supplying production inputs - including boats and engines, fish processing and marketing are medium to large size companies. The main incentive driving them to engage with the artisanal fishers are perceived opportunities to make a profit doing so. The financial products that will be offered through PROPEIXE and those from potential partners (REFP and PROAZUL) initiatives and investments in supporting infrastructure will add more incentives make them wish to relate with small-scale fishing and mariculture producers.
127. **Component 3. Institutional strengthening, project management and policy initiatives** outcome will be improved public sector support for the long-term sustainable development of the artisanal fishery sector. It will have the following subcomponents: 3.1. *Institutional strengthening and policy support*, and 3.2. *Project coordination and implementation support*.
128. **Subcomponent 3.1. Institutional strengthening and policy support.** Regarding institutional strengthening, the aim is to augment the capacity of the institutions (public and private sector/fisheries-owned) that will be responsible for overseeing and/or implementing the different PROPEIXE activities. The strategy would involve working within government departments and agencies that support artisanal fisheries, using their staff and operation modalities, and as needed, providing additional support to facilitate specific project interventions. In those areas in which either the private sector, NGOs or other UN agencies have a comparative advantage, they would be contracted to provide support to the Government. Key activities include:
129. **Activity 1: Institutional strengthening of IDEPA departments and delegations.** IDEPA will be the PROPEIXE lead agency therefor, it will be responsible for the overall supervision and implementation of the project. To successfully play this role, the project strengthening will include: (i) the contribution to restore the capacity of the re-established delegations with the rehabilitation of offices, equipment, vehicles, motorbikes, working kits for the extension officers and training; (ii) at the head office - technical support for the operational departments with technical experts<sup>[77]</sup>, and staff and equipment for the PMU (the use of some technical specialists to cover both PRODAPE and PROPEIXE will be explored mainly in the areas such: Climate Proof Infrastructure, Knowledge Management, Climate and Adaptation, Social Inclusion, etc.; (iii) staff trainings, competitive selection for graduate, postgraduate scholarships and exchange visits. In addition, selected youth from the fishing communities will be supported to attend fisheries courses in the Fisheries School in Maputo and other TVET centers<sup>[78]</sup>. The qualified graduates will enhance the capacity of the extension services and support professionalization of the fisheries sector in the different stages of the value chain, including the eventual development of private extension services. Due to the current insurgency situation in the north, the project will hire Conflict Expert to support on a retainer basis, the PMU and IDEPA with all interventions in the north.
130. **Activity 2: Institutional strengthening of InOM.** The research interventions will be key for the project. Activities will be the following: (i) collection of biological data; (ii) conduct specific studies and (iii) biodiversity conservation and restoration interventions as detailed in component 1.
131. **Activity 3: Institutional strengthening of ADNAP.** Supporting ADNAP will include: (i) the scaling up of Open ArtFish statistical system; (ii) the electronic registration of artisanal fishers formalizing their activity; and (iii) strengthening district capacity to promote co-management arrangements and CCPs (in support to Component 2).
132. **Activity 4: Institutional strengthening of INAMAR.** The project will support strengthening law enforcing capacity and regulations on safety, protection, ordering of the maritime and the coastal zones, fishing activities, protection of marine and coastal ecosystems, sustainable exploitation, conservation, and preservation of aquatic ecosystems, carrying out maritime search and rescue activities, as well as security equipment, and training and awareness.
133. **Activity 5: Institutional strengthening of INIP.** The support will be on the establishment of quality standards for the national artisanal fisheries value chain and introduction of traceability procedures allowing product certification for exportation.
134. **Policy Support and Development.** Coordination and synergies with MIMAIP and other key actors of the Blue Economy

Working Group will be sought to ensure proper alignment on the support to the Government. The project will support the following initiatives:

135. **Activity 6: Finalization of PESPA II**, covering the period 2024-2033, based on the work already developed in the institution.
136. **Activity 7: Census of Artisanal Fisheries 2027**, by co-financing the conduction of the next census in the PROPEIXE area.
137. **Activity 8: Organization of the fisheries co-management system**, by supporting a study on this matter, with special attention to the district and the role of CCPs.
138. **Activity 9: Gender Policy in the Artisanal Fishery Sector and Action Plan**. It will consider supporting proper update and innovative policy elements in light with the institutional and sectoral changes with implication to gender and nutrition. In addition, considering the strong nexus between gender and nutrition the process will be accompanied by nutrition mainstreaming. Multi-stakeholder and multi-sectoral policy dialogue and dissemination workshops will also be considered.
139. **Activity 10: Other particularly relevant initiatives that may contribute to support the Sea, Inland Waters and Fisheries**. Experience from previous projects has confirmed that the adoption of performance-based-incentives system is an effective arrangement to facilitate project implementation. PROPEIXE will cover only the key government staff directly involved in the project implementation located in the provincial delegations, as well the extension agents distributed throughout the project area who can engage appropriate private sector players (such as input suppliers) in delivering key extension advisory services on sustainable resource management through improved practices.
140. **Subcomponent 3.2. Project coordination and implementation support**. The objective of this subcomponent is to manage the project in an efficient and effective manner by providing overall coordination, including planning and implementation, financial management and control, procurement, M&E, knowledge management, and progress reporting. It will also ensure liaison and linkage with all other relevant projects and programmes that seek to address similar or related constraints, aiming at taking advantage of existent synergies and avoiding duplications.
141. In order to facilitate PROPEIXE's effective management and coordination across the provinces, the project will use the existing capacity of IDEPA, ADNAP, INAMAR, and InOM provincial delegations to reach out to district and local level beneficiaries. A PMU will be established under the direct supervision and oversight of IDEPA's Director General, based in Maputo. Details on Project Coordination and Implementation can be found in chapter 4.
142. **Component 4: Crisis and Disaster Risk Reduction**: The SECAP review note provides a comprehensive analysis of the country's vulnerability to climate change and extreme weather events such as **droughts, floods, cyclones, heat waves, etc.**
143. In case one of these events occur, a Crisis and Disaster Risk Reduction component was designed as a mechanism for the provision of immediate assistance to enhance the resilience of fisheries and fishing communities, while ensuring a gender-sensitive and sustainable response. It constitutes a programmatic window for the integration of response measures and corresponding allocation of budget from the project contingency (up to 60 per cent, around US\$1.8 million at this stage).
144. The triggers to activate this component will include:
  1. Official declaration of a natural disaster or emergency by the relevant government authorities based on meteorological information;
  2. when assessments conducted by local authorities, NGOs, or community-based organizations identify significant damage or loss to fisheries assets and livelihoods;
  3. when meteorological and hydrological warnings indicate the likelihood of extreme weather events (e.g. Wind speeds exceeding 75 mph (120 km/h) or forecast of an approaching cyclone, rainfall of 150mm or more within 24 hours; and
  4. an official request from the Government is submitted to IFAD to activate the component.
145. The budget (lumpsum) will finance a set of potential response activities, linked to the Artisanal Fisheries Value Chain in the PROPEIXE geographical area that include:
  1. Acquisition and replacement of fishing gears in a state of disrepair affecting catch efficiency and safety and inputs (nets, boats, engines);
  2. rehabilitation and reinforcement of the resilience of fisheries production infrastructures (markets, transit centres, extension officers and CCPs infrastructures, fish conservation related equipment) indicating more than 50% damages; and
  3. development of early warning systems that provide communities with advance notice of impending disasters, allowing beneficiaries to take protective actions.
146. The component recognizes the importance of the gender dimension in the disasters and seeks to engage women in-decision making about the allocation of the component resources and among its direct beneficiaries. The results of the component will be systematically monitored with gender-disaggregated data to monitor the impact of the response on different gender groups and lessons learned will be incorporated for future allocations to assure the maximum impact.

## E. Theory of Change

147. The project will address key challenges for the artisanal fisheries sector and artisanal fisheries communities such as: the degradation of natural resources and its negative impact on fisheries stocks; low profitability of the fishing activity due to inefficiencies and value chain fragmentation, low food quality and safety standards; inadequate contribution of fish to balanced diets combined with poor dietary knowledge and practices; mobility of youth away from the sector and invisibility of women's contribution to production and post-harvest activities; vulnerability of infrastructure to climate impacts, and weak capacity of Government institutions in to delivery last mile services.
148. Therefore, under Component 1: the project will address the challenge of natural resource degradation by laying the foundation for sustainably managed and climate-resilient fisheries through community ecosystems management and promotion of sustainable new climate smart practices/technologies that are also appropriate for women and youth. To do this, project interventions will strengthen existing and create new CCPs to develop and implement fisheries management plans, pilot weather insurance and EWS to increase resilience and mitigate risk. It will also pilot/demonstrate improved fishing technology and practices that improve sustainability of catches and can give rise to new economically and environmentally viable artisanal fisheries livelihoods.
149. Under Component 2: Inclusive fisheries climate-resilient value chain development and livelihood diversification, the project will reduce climate vulnerability and manage challenges related to fishery infrastructure, as well as inclusive business development, and diversified, resilient livelihoods for improving food security and better nutrition.
150. To achieve this, under Sub-component 2.1: Sustainable entrepreneurship and livelihoods development interventions will aim to develop economically viable and environmentally sustainable local activities along the fishery value chain, as well as alternative income-generation options which can provide income that takes the pressure off the fishery resources and ensure food and nutritional security, with particular focus on opportunities for women and youth.
151. As part of a transition approach to business development, experimental activities under Component 1 (linked to biodiversity conservation, ecosystems management, and alternative livelihoods linked with the preservation of the ecosystem), which are generating market interest and demonstrating financial viability will become the focus of interventions under Sub Component 2.1.
152. Support will extend along the fishery value chain, including mariculture start-ups where clear buyer arrangements have been established. Other business ventures that look at expansion of fishing efforts towards open sea, as well as auxiliary services, such as mechanics, boat building, ice-making etc. will also be the subject of inclusive fisheries value chain development and livelihoods diversification. The project will ensure that fisheries value chains become more nutrition-sensitive, inclusive, and contribute to better dietary outcomes.
153. Interventions will focus on the promotion of emerging local entrepreneurs, economic groups, and Micro Small and Medium Enterprises (MSMEs), through basic business management skills development, and business plan development, in particular for women and youth. Where appropriate such MSME will be assisted to access financial services.
154. Under Sub-component 2.2: Value chain driven, and climate resilient infrastructure development interventions will focus on developing a private sector-driven and sustainable fisheries value chain, built on climate resilience and inclusion. This will be achieved through support for the development of successful PPP or 4P market management models, that ensure design of services, operations and cost structures that guarantee inclusive access as well as economic viability of the markets and services they offer (trader space, energy efficient and renewable energy for cold chain facilities and processing facilities etc.). In addition, construction and renovation will meet improved climate resilience criteria and apply to both markets and roads. Planned interventions will add economic and market value; improve food safety and quality to enhance diets; upgrade performance and competitiveness of the artisanal fishery sector; adding value to fisheries products in the different stages of the value chain will be key under PROPEIXE and thus, improve the resilience of artisanal fisheries incomes for all sector participants, including women and youth through strengthened value chain linkages and removal of inefficiencies.
155. Finally, under Component 3: Institutional strengthening, project management and policy initiatives, public sector support for the long-term sustainable development of the artisanal fishery sector will be improved. This will be done through Sub-component 3.1 Institutional strengthening and policy support that will provide targeted capacity building to support artisanal fisheries sustainable growth needs through relevant academic scholarship awards that address identified capacity gaps at government and community institutions level. As well as address the legal and regulatory framework around inclusion and resource management and its implementation.
156. It is expected that from the proposed components and outputs, the project will contribute for an increased resilience of Artisanal Fisheries; Improved economic resilience and profitability of artisanal fisheries and local livelihoods and Enhanced fisheries sector institutions capacity strengthened. These results will therefore contribute for the sustainable increase of the incomes, nutrition and food security by addressing the main barriers for a sustainable production and marketing for fisheries products. The overall sustainability of the project intervention is anchored in its private sector development focus, market linkages established alongside the strengthening of dedicated government capacity and community organizations in the sector.

## **F. Alignment, ownership and partnerships**

157. **Alignment with SDGs.** PROPEIXE's goal and development objective will contribute to (i) SDG 1 (End poverty in all its forms everywhere) and SDG 2 (End hunger, achieve food security and improved nutrition and promote sustainable agriculture/fisheries). This will be achieved through productivity and production enhancement of the artisanal fisheries value chains and linking the target beneficiaries' increased production of high value fish to different marketing channels. Nutrition-related interventions will focus on issues related to awareness, access, availability, and affordability of nutrient-rich foods; ii)

SDG 5 (Achieve gender equality and empower all women and girls) through GALS which will be used to address gender-based barriers along the selected value chains as well as empower all household members and address gender relations at household and community levels; iii) SDG 13 (Take urgent action to combat climate change and its impacts) through several interventions that include: community led ecosystems preservation and restoration; replantation of mangroves; adoption of sustainable and selective fishing gears; promotion of renewable energy, etc.; iv) SDG 14 (Ensure the preservation and sustainable availability of the different aquatic species, including through promotion of mariculture and other interventions to preserve the life below water. In addition, the project's strategy complies with the provisions of key international protocols and guidelines, especially FAO's *Voluntary Guidelines for Securing sustainable Small-Scale Fisheries*[\[79\]](#) and *Responsible Governance of Tenure of Land, Fisheries and Forests*[\[80\]](#).

158. **Alignment with national priorities.** The project is aligned with key Government strategies and policies, including the (i) National Development Strategy (END 2015-2035) which highlights the sustainable development of artisanal and commercial fisheries as key for food and nutritional security, job creation and income for the poor households, particularly for the coastal communities vulnerable to CC. PROPEIXE is also aligned with the objectives of the Government's Five-Year Program 2020-24, which establishes as a Strategic Option for Fishing and Aquaculture "Strengthening the development of artisanal fishing and valuing industrial fishing, in the context of the blue economy, as well as the development of aquaculture, creating more employment opportunities for Mozambicans, particularly for young people, and contributing directly to improving the quality of life of the population in the fight against hunger, poverty and malnutrition".
159. At the sectoral level, the project responds to the government's strategy for the sector established in the Master Plan for Fisheries II (currently under review). More directly, it responds to the objectives of the PESPA, which has as strategic objective "Improved living conditions in artisanal fishing communities", consisting of social improvements and strengthening of the capacity of grassroots community organizations, the increase of income from fishing activities and complementary fishing activities, the expansion of fishing produce and input marketing networks, provision of financial services aimed at developing fishing and diversifying sources of income in the fishing communities, within a framework of greater rigor and effectiveness on the part of fisheries administration entities that aim to support the development of artisanal fishing.
160. National policies, strategies and action plans addressing climate change and natural disasters include the National Climate Change Adaptation and Mitigation Strategy (ENAMMC 2013-2025), the National Adaptation Plan (NAP) Roadmap (2020-2025), and the Master Plan for Risk and Disaster Reduction (2017-2030). Consideration is being given to the introduction of catastrophic risk insurance, funded from available climate funds.
161. Mozambique submitted its updated Nationally Determined Contributions (NDCs) to the United Nations Framework Convention on Climate Change (UNFCCC) in 2020. The NDCs seek to reduce 40 million tCO<sub>2</sub>eq of greenhouse gas emissions between 2020 and 2025 through mitigation measures such as renewable energy, low carbon agricultural practices and scaling up Reduction of Emissions from Deforestation and Degradation (REDD+) and the National Mangroves Management Strategy (2020-2024). The PROPEIXE will support African Union Blue Economy plans, by building on the strong IFAD record in the fishery sector.
162. **Alignment with IFAD policies and corporate priorities.** The project is also consistent with the COSOP (2023-27) particularly to its three key strategic objectives: (i) its Strategic Objective 1 referring to "sustainable natural resource use management to increase resilience to environmental shocks and the impacts of CC", (ii) its SO2 which establishes "in the integrated nutrition sensitive value chain for improved productivity, sustainable market access, and off-farm employment for small scale farmers, and (iii) its SO3 which considers "the institutional strengthening of community organizations and institutions in the Sea, Inland Waters and Fisheries sector". Finally, the project contributes to the SOs 1 and 3 of the IFAD Strategic Framework for 2016-25.
163. **Country Ownership.** The design of PROPEIXE was very participatory[\[81\]](#). The draft Concept Note proposal was prepared by the Government and submitted to IFAD for consideration. Following IFAD's agreement to proceed, the Government of Mozambique has participated actively in the design process represented by MIMAIP and other sectors multidisciplinary teams (proposed members of the project Steering Committee). The Government led the identification and selection of the target project areas based on the agreed criteria, as well the type of interventions in the different stages of the value chain. To inform the new design, the Government coordinated a national comprehensive stock take exercise to identify the constraints limiting effective functioning of the artisanal fisheries value chains, based on the experiences, results and lessons learnt of the previous projects.
164. **Harmonization and partnerships.** The project will coordinate with programmes and projects financed by IFAD, Government and various development partners that support PROPEIXE-related thematic areas to avoiding duplications with existing and planned interventions. It contributes to the UNSDCF (2022-2026) outcomes on climate resilience and sustainable use of natural resources.
165. In collaboration with World Bank interventions, such as Moz Norte, Moz Rural and Moz Sul (in planning) the project can seek synergy in the approach to the Matching Grant Scheme of the MaisPeixe Sustentável Programme implemented through PROAZUL and linked to the above three projects as long as fully aligned with IFAD Rural Financial Inclusion Policy; complementarities on the implementation of CCP and Co-Management interventions; and coordination and synergies on the implementation of the Mangroves' restoration initiatives.
166. The project will also collaborate with Norway/NORAD through its new capacity building and policy support investment to the blue economy in Mozambique through MIMAIP. With Sweden, the project can collaborate on alternative livelihoods development and CCPs and Co-Management support via the Nairobi Convention Partnership for Resilience Marine and Coastal Ecosystems and Livelihoods - SWIOFC-NC PP Phase 2 – Implemented by FAO. The European Union is also investing in Alternative Livelihoods; CCPs and Co-Management, Mariculture and Private Sector Engagement in the context of the Sustainable Blue Economy Project. Collaboration with Specialised Agencies such as ILO for youth skills development and job placement will also be implemented.



167. Finally, the Integrated Climate Management and Coastal Development Millennium Challenge Corporation (BioFund; WWF and ANAC), also offers opportunities for direct complementarity as it intends to create marine protected areas (MPAs), community conservation areas (CCAs), green and blue carbon capture, support private sector programs, significantly improve the management of 3 publicly managed protected areas (APAIPS, Gilé, Marromeu) through co-management and increased resources, as well as improve biodiversity protection and corresponding community benefits in at least 4 private protected areas (Mahimba, Coutadas 11, 12, 14), among other activities.

168. The project is fully aligned and will contribute to PREDIN, the Government's comprehensive and multidimensional response to the crisis in Cabo Delgado, aimed at addressing the drivers of fragility and supporting the socio-economic development of the region.

## **G. Costs, benefits and financing**

### **a. Project costs**

169. The total PROPEIXE incremental investment and recurrent costs, including price and physical contingencies over a seven years implementation period are estimated at US\$63.3 million. This includes base costs of US\$62 million and estimated price and physical contingencies of US\$1.3 million. Investment costs have been estimated at US\$57.6 million (93 per cent of base costs) with recurrent costs at US\$4.4 million (7 per cent of base costs). All project components will contribute to IFAD climate finance [82] totalling US\$13.199 million (45 per cent of IFAD total project costs). The summary of the overall project costs, by components & year and expenditure categories is presented in tables below.

170. Table 3: Summary of costs by components & sub-components: base costs & contingencies

Republic of Mozambique Artisanal Fisheries Resilient Development Project (PROPEIXE) Components Project Cost Summary		(MZN '000)			(US\$ '000)			% Foreign Exchange	% Total Base Costs
	Local	Foreign	Total	Local	Foreign	Total			
A. Resilient Artisanal Fisheries and Ecosystem Management	1 051 959	116 884	1 168 843	16 632	1 848	18 480	10	30	
<b>B. Inclusive Fisheries Value Chain Development and Livelihood Diversification</b>									
Entrepreneurship and Livelihoods Development	633 831	70 426	704 257	10 021	1 113	11 135	10	18	
Value Chain Driven, and Climate Resilient Infrastructure Development	1 166 792	129 644	1 296 435	18 447	2 050	20 497	10	33	
<b>Subtotal</b>	<b>1 800 623</b>	<b>200 069</b>	<b>2 000 692</b>	<b>28 468</b>	<b>3 163</b>	<b>31 632</b>	<b>10</b>	<b>51</b>	
<b>C. Institutional Strengthening, Project Management and Policy</b>									
Institutional Strengthening and Policy Support	338 077	37 564	375 641	5 345	594	5 939	10	10	
Project Coordination and Implementation Support	343 588	38 176	381 764	5 432	604	6 036	10	10	
<b>Subtotal</b>	<b>681 665</b>	<b>75 741</b>	<b>757 405</b>	<b>10 777</b>	<b>1 197</b>	<b>11 975</b>	<b>10</b>	<b>19</b>	
D. Crisis and Disaster Risk Reduction	-	-	-	-	-	-	-	-	
<b>Total BASELINE COSTS</b>	<b>3 534 246</b>	<b>392 694</b>	<b>3 926 940</b>	<b>55 877</b>	<b>6 209</b>	<b>62 086</b>	<b>10</b>	<b>100</b>	
Physical Contingencies	30 268	3 363	33 631	479	53	532	10	1	
Price Contingencies	207 785	23 087	230 872	686	76	763	10	1	
<b>Total PROJECT COSTS</b>	<b>3 772 299</b>	<b>419 144</b>	<b>4 191 444</b>	<b>57 042</b>	<b>6 338</b>	<b>63 380</b>	<b>10</b>	<b>102</b>	

171. Table 4: Summary of costs expenditure accounts: base costs & contingencies

Republic of Mozambique Artisanal Fisheries Resilient Development Project (PROPEIXE) Expenditure Accounts Project Cost Summary		(MZN '000)			(US\$ '000)			% Foreign Exchange	% Total Base Costs
	Local	Foreign	Total	Local	Foreign	Total			
<b>I. Investment Costs</b>									
A. Civil Works	1 609 600	178 844	1 788 444	25 448	2 828	28 276	10	46	
B. Consultancies	786 667	87 407	874 074	12 437	1 382	13 819	10	22	
C. Equipment and Materials	168 654	18 739	187 394	2 666	296	2 963	10	5	
D. Goods and Inputs	66 923	7 436	74 359	1 058	118	1 176	10	2	
E. Services	123 607	13 734	137 341	1 954	217	2 171	10	3	
F. Training and Workshops	493 414	54 824	548 237	7 801	867	8 668	10	14	
G. Grants & Subsidies	34 155	3 795	37 950	540	60	600	10	1	
<b>Total Investment Costs</b>	<b>3 283 019</b>	<b>364 780</b>	<b>3 647 799</b>	<b>51 905</b>	<b>5 767</b>	<b>57 673</b>	<b>10</b>	<b>93</b>	
<b>II. Recurrent Costs</b>									
A. Salaries and Allowances	158 138	17 571	175 709	2 500	278	2 778	10	4	
B. Operating Costs	93 089	10 343	103 433	1 472	164	1 635	10	3	
<b>Total Recurrent Costs</b>	<b>251 227</b>	<b>27 914</b>	<b>279 141</b>	<b>3 972</b>	<b>441</b>	<b>4 413</b>	<b>10</b>	<b>7</b>	
<b>Total BASELINE COSTS</b>	<b>3 534 246</b>	<b>392 694</b>	<b>3 926 940</b>	<b>55 877</b>	<b>6 209</b>	<b>62 086</b>	<b>10</b>	<b>100</b>	
Physical Contingencies	30 268	3 363	33 631	479	53	532	10	1	
Price Contingencies	207 785	23 087	230 872	686	76	763	10	1	
<b>Total PROJECT COSTS</b>	<b>3 772 299</b>	<b>419 144</b>	<b>4 191 444</b>	<b>57 042</b>	<b>6 338</b>	<b>63 380</b>	<b>10</b>	<b>102</b>	

Table 5: Total project costs by component/sub-component by year

Republic of Mozambique Artisanal Fisheries Resilient Development Project (PROPEIXE) Project Components by Year -- Totals Including Contingencies (US\$ '000)		Totals Including Contingencies						
	2024	2025	2026	2027	2028	2029	2030	Total
A. Resilient Artisanal Fisheries and Ecosystem Management	776	5 533	5 112	3 755	3 356	177	115	18 824
<b>B. Inclusive Fisheries Value Chain Development and Livelihood Diversification</b>								
Entrepreneurship and Livelihoods Development	816	2 262	2 166	2 278	1 747	1 289	890	11 449
Value Chain Driven, and Climate Resilient Infrastructure Development	578	3 906	5 999	4 459	4 226	1 365	329	20 861
<b>Subtotal</b>	<b>1 394</b>	<b>6 168</b>	<b>8 165</b>	<b>6 737</b>	<b>5 973</b>	<b>2 654</b>	<b>1 219</b>	<b>32 310</b>
<b>C. Institutional Strengthening, Project Management and Policy</b>								
Institutional Strengthening and Policy Support	1 335	1 692	1 730	610	365	222	126	6 080
Project Coordination and Implementation Support	1 653	636	588	818	792	770	909	6 166
<b>Subtotal</b>	<b>2 987</b>	<b>2 328</b>	<b>2 318</b>	<b>1 429</b>	<b>1 157</b>	<b>993</b>	<b>1 034</b>	<b>12 246</b>
D. Crisis and Disaster Risk Reduction	-	-	-	-	-	-	-	-
<b>Total PROJECT COSTS</b>	<b>5 157</b>	<b>14 028</b>	<b>15 596</b>	<b>11 921</b>	<b>10 486</b>	<b>3 823</b>	<b>2 369</b>	<b>63 380</b>

b. Project financing/co-financing strategy and plan

**Component/sub-component allocation:** Out of the overall project costs, component 2; *Inclusive fisheries climate resilient value chain development and livelihood diversification* has been allocated the biggest percentage of 51, equivalent to US\$32.3 million. This is followed by *component 1: Resilient Artisanal Fisheries and Ecosystem Management* which has accounted for 30 per cent, equivalent to US\$18.8 million. The remaining 19 per cent equivalent to US\$12 million has been allocated to *component 3: Institutional Strengthening, Project Management and Policy*. The Component 4: *Crisis and Disaster Risk Reduction* budget will be reallocated from the unallocated category in case of a declared emergency.

PROPEIXE will be financed as follows: IFAD financing is projected at US\$29.3 million (46 per cent of the total project costs); Global Environment Facility (GEF): US\$8.9 million (a draft PIF has been developed and will be submitted to GEF secretariat in October 2023 for consideration); Private Sector: US\$4 million. Potential parallel financing from the Government of Norway is estimated at US\$3 million. Domestic financing from the Government and Beneficiary contribution is estimated at US\$5.6 million (61 per cent & 39 per cent respectively). The project has been designed with a financing gap of US\$11.06 million (18 per cent) which will be covered by potential co-financing institutions.

**Table 6: Total project costs by components & sub-components, and financier.**

Republic of Mozambique  
Artisanal Fisheries Resilient Development Project (PROPEIXE)  
Components by Financiers  
(US\$ '000)

	GoM		IFAD		Private Sector		Beneficiaries		GEF		Financing Gap		NORAD		Total		For. Exch.	Local (Excl. Taxes)
	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%		
A. Resilient Artisanal Fisheries and Ecosystem Management	662	4	5,321	28	-	-	925	5	8,932	47	2,984	16	-	-	18,824	30	1,882	16,942
B. Inclusive Fisheries Value Chain Development and Livelihood Diversification																		
Entrepreneurship and Livelihoods Development	576	5	8,337	73	2,536	22	-	-	-	-	-	-	-	-	11,449	18	1,145	10,304
Value Chain Driven, and Climate Resilient Infrastructure Development	1,374	7	5,662	27	2,941	14	1,275	6	-	-	8,084	39	1,525	7	20,861	33	2,086	18,775
Subtotal	1,950	6	13,999	43	5,477	17	1,275	4	-	-	8,084	25	1,525	5	32,310	51	3,231	29,079
C. Institutional Strengthening, Project Management and Policy																		
Institutional Strengthening and Policy Support	413	7	4,192	69	-	-	-	-	-	-	-	-	1,475	24	6,080	10	608	5,472
Project Coordination and Implementation Support	379	6	5,787	94	-	-	-	-	-	-	-	-	-	-	6,166	10	617	5,550
Subtotal	792	7	9,979	82	-	-	-	-	-	-	-	-	1,475	12	12,246	19	1,225	11,022
D. Crisis and Disaster Risk Reduction	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total PROJECT COSTS</b>	<b>3,403</b>	<b>5</b>	<b>29,300</b>	<b>46</b>	<b>5,477</b>	<b>9</b>	<b>2,200</b>	<b>4</b>	<b>8,932</b>	<b>14</b>	<b>11,068</b>	<b>18</b>	<b>3,000</b>	<b>5</b>	<b>63,380</b>	<b>100</b>	<b>6,338</b>	<b>57,042</b>

**Table 7: Total project costs by expenditure accounts and financier**

Republic of Mozambique  
Artisanal Fisheries Resilient Development Project (PROPEIXE)  
Expenditure Accounts by Financiers  
(US\$ '000)

	GoM		IFAD		Private Sector		Beneficiaries		GEF		Financing Gap		NORAD		Total		For. Exch.	Local (Excl. Taxes)
	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%		
I. Investment Costs																		
A. Civil Works	1,571	6	6,301	22	2,651	9	1,993	7	6,576	23	8,084	28	1,425	5	28,602	45	2,860	25,742
B. Consultancies	770	5	7,636	54	2,825	20	-	-	755	5	995	7	1,227	9	14,209	22	1,421	12,788
C. Equipment and Materials	316	10	1,910	63	-	-	-	-	397	13	413	14	-	-	3,036	5	304	2,733
D. Goods and Inputs	76	6	1,138	94	-	-	-	-	-	-	-	-	-	1,213	2	121	1,092	
E. Services	105	5	1,305	59	-	-	-	-	798	36	-	-	23	1	2,231	4	223	2,008
F. Training and Workshops	408	5	6,040	67	-	-	207	2	405	5	1,577	18	325	4	8,963	14	896	8,066
G. Grants & Subsidies	44	7	577	93	-	-	-	-	-	-	-	-	-	621	1	62	559	
<b>Total Investment Costs</b>	<b>3,290</b>	<b>6</b>	<b>24,907</b>	<b>42</b>	<b>5,477</b>	<b>9</b>	<b>2,200</b>	<b>4</b>	<b>8,932</b>	<b>15</b>	<b>11,068</b>	<b>19</b>	<b>3,000</b>	<b>5</b>	<b>58,874</b>	<b>93</b>	<b>5,887</b>	<b>52,987</b>
II. Recurrent Costs																		
A. Salaries and Allowances	0	-	2,835	100	-	-	-	-	-	-	-	-	-	-	2,835	5	284	2,552
B. Operating Costs	113	7	1,558	93	-	-	-	-	-	-	-	-	-	1,671	3	167	1,504	
<b>Total Recurrent Costs</b>	<b>113</b>	<b>3</b>	<b>4,393</b>	<b>98</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4,506</b>	<b>7</b>	<b>451</b>	<b>4,055</b>	
<b>Total PROJECT COSTS</b>	<b>3,403</b>	<b>5</b>	<b>29,300</b>	<b>46</b>	<b>5,477</b>	<b>9</b>	<b>2,200</b>	<b>4</b>	<b>8,932</b>	<b>14</b>	<b>11,068</b>	<b>18</b>	<b>3,000</b>	<b>5</b>	<b>63,380</b>	<b>100</b>	<b>6,338</b>	<b>57,042</b>

## c. Disbursement

## 172. Disbursement Arrangements and Flow of Funds.

173. A designated account (DA) will be opened at Bank of Mozambique (the country's central bank) to receive IFAD funds. DAs will also be opened for other co-financiers' financing as required to ensure full traceability of financial transactions in line with government and donors' requirements. Payments and financial reporting for PROPEIXE will be made through the integrated State Financial Management Information System (e-SISTAFE). PROPEIXE will maintain a local currency account in e-SISTAFE under the Single Treasury Account (CUT) for the PMU.

174. IFAD funds will be channeled into a US\$ designated account maintained at the Bank of Mozambique. The funds will then be transferred into the CUT managed by the Ministry of Economy and Finance, from where the funds are converted into MZN at the prevailing exchange rate on date of conversion. The funds in CUT are managed through coded designated ledger accounts that facilitate traceability of each project's available funds. Each provincial directorate and implementing agency shall maintain a separate account in CUT to receive the project funds from the PMU.

175. Fund transfers will be disbursed based on the following methods: (a) DA advances: initial deposits and subsequent request for advances based on quarterly cash forecasts included in the interim financial reports; and (b) Direct Payments, which should be used only for payments in excess of US\$100,000. Within the country, payments to service providers and suppliers of goods will be made directly to suppliers already set up in e-SISTAFE. The advance of funds method will be used, which consists of a formal request to the MEF (National Directorate of Public Accounting) for authorization to make payments to service providers not registered in the system. This request will be made by the respective delegation.

## d. Summary of benefits and economic analysis

176. The Economic and Financial Analysis (EFA) has been anchored on the project development objective. Therefore, the models that have been lined up for this EFA have been grouped as follows: **i) Fisheries; ii) Alternative Livelihoods; iii) Value Chain; iv) Infrastructure development.**

177. **Financial Analysis:** Based on the above clusters, the following VCs models have been developed to assess the financial viability of the project investment at individual household level.

**Table 8: Financial analysis incremental benefits**

Project Year	Farm models' net incremental benefits MZN											
	Fisheries Models				Alternative Livelihoods				Value Chains		Infrastructure	
	Moma With Motor	Moma Without Motor	Boat - 9m	Purse Seine	Navala Carpenter - Moma	Naval Carpenter - Machua	Fresh Fish Trading	Dry Fish Trading	Domestic Ice Production	Ice Plant -1 Tonne	Ice Plant -2 Tonnes	Road Benefits
PY1	(354,240)	(146,320)	(2,189,960)	(2,239,200)	(92,000)	(86,000)	- 88,509	- 84,009	- 34,000	- 3,557,076	- 9,394,758	-
PY2	42,560	13,800	391,520	535,800	28,000	34,000	37,949	28,548	16,000	1,123,424	1,994,242	349,747
PY3	29,120	13,800	237,620	319,800	28,000	104,000	37,949	28,548	16,000	1,123,424	1,994,242	699,494
PY4	203,840	37,320	801,100	1,250,400	28,000	104,000	37,949	28,548	16,000	1,123,424	1,994,242	1,049,242
PY5	203,840	37,320	801,100	1,250,400	28,000	104,000	37,949	28,548	16,000	1,123,424	1,994,242	1,049,242
PY6	203,840	37,320	801,100	1,250,400	28,000	104,000	37,949	28,548	16,000	1,123,424	1,994,242	1,049,242
PY7	203,840	37,320	801,100	1,250,400	28,000	104,000	37,949	28,548	16,000	1,123,424	1,994,242	1,049,242
PY8	203,840	37,320	801,100	1,250,400	28,000	104,000	37,949	28,548	16,000	1,123,424	1,994,242	1,049,242
PY9	203,840	37,320	801,100	1,250,400	28,000	104,000	37,949	28,548	16,000	1,123,424	1,994,242	1,049,242
PY10	203,840	37,320	801,100	1,250,400	28,000	104,000	37,949	28,548	16,000	1,123,424	1,994,242	1,049,242
IRR	33%	14%	24%	36%	27%	83%	41%	31%	45%	28%	15%	#DIV/0!
NPV @12%	385,916	8,897	1,071,144	2,625,254	48,888	353,679	98,447	58,555	44,458	2,080,851	953,222	4,099,170
B/C Ratio	1.24	1.00	1.00	1.73	1.05	1.11	1.03	1.41	1.29	0.95	0.94	N/A
Return to faamily labour	1,187	215	549	1,312	336	2,112	659	2,518	1,333	N/A	N/A	N/A

As can be seen in the summary table above, all models present positive financial viability using the key metrics financial Internal Rate of Return (IRR) and Net Present Value (NPV). The discount rate used for financial analysis is 12%. This is the current rate on deposit/savings accounts in Mozambique[83]. Other benefits indicators computed for financial analysis includes; Benefits Cost Ratios (BCR) and return to family labor. No return to family labor has been computed for Ice plants assuming the ice facilities are managed at a higher level and not conventional individual based.

**Beneficiary outreach, Cost per beneficiary& adoption rate:** The baseline target number of beneficiary households (HH) for PROPEIXE in the selected target area is estimated at 40,000HHs. This includes 25,600 HHs (64%) who will receive a full set of project services under different value chains, and 14,400 HH (36%) who will directly benefit from feeder roads rehabilitation only. Using gradual adoption rates, the corresponding number of households is estimated at 23,843 HH adopting the proposed investment. The HH aggregation is aligned to the project annual budget allocation. The nature of the project is such that it will need heavy investments in the initial years. The cost per beneficiary has been derived from total project costs (US\$63.3 million) divided by the target number of target households (40,000 HH). The cost per beneficiary HH has therefore been computed at US\$1,585 and US\$368 for each household member. This analysis is presented in the table below.

**Table 9: Farm model benefits**

PROGRAMME COSTS AND INDICATORS FOR LOGFRAME				
TOTAL PROGRAMME COSTS (in million USD )				
Beneficiaries	172,000	people	63.4	
Cost per beneficiary	368	USD x	40,000	Households
				1,585 USD
Components and Cost (USD million)				
A. Resilient Artisanal Fisheries and Ecosystem	19			MZN million
B. Inclusive Fisheries Value Chain Development and Livelihood Diversification	32	Average increase in income per HH		2.3
C. Institutional Strengthening, Project Management and	12			
<b>Total</b>	<b>63.4</b>			

**Economic analysis:** The baseline Economic Rate of Return (ERR) and Net Present Value (NPV) for PROPEIXE have been estimated at 33 per cent and US\$88.8 million respectively. All quantifiable benefits have been discounted over a period of 20 years including 7 years of project implementation period using a rate of 23.4 percent per cent which is the current prime lending rate of Bank of Mozambique to commercial banks [84]. The ERR of 33 per cent is higher than the discount rate used for economic analysis which confirms the justification of the proposed investment. The benefits/cost ratio for the whole investment is estimated at 36.05. The overall project economic analysis is summarised in the table below:

**Table 10: Project Economic Benefits**

Project year	Project Incremental Economic Benefits				Total Net Inc. Benefits (MZN million)	Economic Project Costs (MZN million)				Cash-flow
	Incr. benefits - Fisheries	Incr. benefits - Alternative Livelihoods	Incr. benefits - Value Chain	Incr. benefits - Road Benefits		Investment Costs	Recurrent Costs	Costs Included In Models	Total Economic Costs	
PY1	(281)	19	835	0	1,235	265	32		297	(1,432)
PY2	(902)	(62)	(2,833)	44	(3,752)	804	35		839	(4,591)
PY3	(833)	(53)	(3,170)	186	(3,871)	892	35		927	(4,798)
PY4	(5)	9	(1,779)	401	(1,374)	665	41	13	693	(2,068)
PY5	912	61	(941)	641	673	572	47	19	600	73
PY6	2,740	164	2,168	877	5,949	177	45	19	203	5,746
PY7	3,613	205	2,998	1,025	7,842	92	45	13	125	7,717
PY8	4,622	246	4,297	1,397	10,562		28		28	10,534
PY9	4,829	251	4,297	1,539	10,918		28		28	10,888
PY10	4,972	251	4,297	1,398	10,918		28		28	10,890
PY11	4,972	251	4,297	1,398	10,918		28		28	10,890
PY12	4,972	251	4,297	1,398	10,918		28		28	10,890
PY13	4,972	251	4,297	1,398	10,918		28		28	10,890
PY14	4,972	251	4,297	1,398	10,918		28		28	10,890
PY15	4,972	251	4,297	1,398	10,918		28		28	10,890
PY16	4,972	251	4,297	1,398	10,918		28		28	10,890
PY17	4,972	251	4,297	1,398	10,918		28		28	10,890
PY18	4,972	251	4,297	1,398	10,918		28		28	10,890
PY19	4,972	251	4,297	1,398	10,918		28		28	10,890
PY20	4,972	251	4,297	1,398	10,918		28		28	10,890
NPV@ 23% (million MZN)										5,629
NPV@ 23% (million USD)										88.8
EIRR										33%
BCR			Benefits		145,907				4,048	36.05

**Sensitivity analysis:** To test the robustness of the above analysis, a sensitivity analysis has been carried out to measure variations due to unforeseen factors and relevant risks linked to the project IPRM.

**Results of sensitivity analysis:** A change in benefits by 20 per cent increase in costs and decrease in benefits using the same proportion yield an ERR of 32.3 per cent and 32.1 per cent with positive NPV of US\$83 million and US\$65 million respectively. An increase in project benefits by either 10 per cent & 20 per cent yields a higher of 33.6 per cent & 34 per cent respectively both with positive NPV. A delay in project benefits by 1 & 2 years still yields positive results as it yields 31.7 per cent and 30 per cent, with positive net present values. Results of the sensitivity analysis indicate that the project remains economically viable under the various assumptions considered. The summary of the sensitivity analysis is presented in the table below.

**Table 11: Sensitivity Analysis Matrix**

Sensitivity analysis matrix				
	%	IRR	NPV (US\$) Million	Link between EFA and IPRM
<b>Base Scenario</b>		<b>33.2%</b>	<b>88.78</b>	
<b>Decrease of Project benefits</b>	-10%	32.7%	76.91	Extreme weather events. The frequency of days of heavy rainfall is expected to increase, leading to increased floods. Frequency of tropical cyclones is likely to reduce but the intensity of these cyclones will increase. The frequency and intensity of days of extreme heat as well as droughts are also expected to increase.
	-20%	32.1%	65.03	
	-30%	31.4%	53.15	
<b>Cost Increase</b>	10%	32.8%	85.79	The macroeconomic policies (monetary, fiscal, debt management/sustainability, trade) unsustainable or vulnerable to domestic or external shocks, resulting in high inflation, low foreign exchange, large fiscal deficits & debt distress leading to government inability to mobilize counterpart funding, and to an overall adverse impact on market dynamics of value chains. (market prices and profit)
	20%	32.3%	82.79	
	50%	31.1%	74.14	
<b>Delay of benefits</b>	1 Year	31.7%	64.14	Delay in project implementation due to the upcoming elections in 2025, decentralization, changes in government, high political instability/turnover/uncertainty, changing political priorities) including approval and implementation of laws and regulations, and timely counterpart funding)
	2 Years	30.0%	44.18	
<b>Increase of benefits</b>	10%	33.6%	100.66	Climate adaptation interventions including early warning systems, access to weather and climate data, climate-resilient infrastructure, climate-smart practices/technologies. High adoption rates
	20%	34.0%	112.54	

### e. Exit Strategy and Sustainability

178. PROPEIXE exit strategy provides pathway for phasing down/out the project while ensuring that the achievement of development goals are not jeopardized once project activities are completed and the financial, managerial and technical assistance from the project comes to an end. Key interventions that are expected to generate this effect are: (i) **Effective fisheries management and ecosystem activities through CCPs**. The focus is around building the capacity of CCPs and strengthening the networks and coordination mechanisms with the Government institutions. ADNAP and IDEPA (involving InOM and the Fisheries School), will be responsible for strengthening capacity of CCPs in preparation for the project's exit and continue to support CCPs in their functions post-project; (ii) **Sustained and strengthened enterprises and alternative livelihoods for small-scale producers**. The strategy focuses on building capacity of incubators and start-ups (MSMEs) in fishing and post-production operations to strengthen business skills, provide coaching and assistance to develop business plans; Strengthening PCR and the linkages to financial and business development service providers; (iii) **Public value chain infrastructure**. Post-project, the RMCs will continue their role in routine maintenance under the guidance of the district road authorities in close consultation with the Road Fund. Sustained markets operations beyond project end will be ensured through early preparation of market management PPP models and guidelines to inform investments and operation plans of PPP. Public sector will retain ownership of market facilities, that will be rehabilitates, managed and operated under PPP; (iv) **Institutional strengthening and policy support**: This focuses on building the capacity of the key management institution in the sector and strengthening policy frameworks. The project will provide targeted capacity building and strengthening the institutions to fulfil their roles.

179. PROPEIXE sustainability is based on its alignment with national priorities and support for national institutions under Component 3. PROPEIXE would be integrated and implemented within fisheries institutions through a decentralized structure, thus IDEPA capacity at local level will be strengthened to ensure long-term sustainability of interventions through systemic improvements of service delivery on the ground.

180. Key sustainability approaches deployed in PROPEIXE are: Private sector-led value chain interventions approaches that focus on creating financially viable models for local MSME growth and linkages between market players to ensure demand-based investment rational; Piloting of PPP models for infrastructure management as part of a strategy to provide long-term sustainability of the operations and services; Climate proofing of infrastructure as part of the public investment in sector resilience; Building the capacity of women and youth to engage proactively in sustainable resource use and management, the development of green alternative livelihoods, and sustainable fishery related businesses; Strengthening the capacity of local institutions such as CCPs to pro-actively manage the fishery resources and ensure their sustainability.

181. The project builds synergies, with other IFAD interventions, as well as a variety of donor investments such as ILO, WB, EU, Norway and Sweden that promotes synergies in interventions and a consolidation of sector impacts.

182. Finally, the natural resource and ecosystem conservation interventions will contribute towards the long-term fishery resource sustainability and resilience of the coastal fishery livelihoods.

## 3. Risks

### H. Project risks and mitigation measures

183. There are some potential risks that could have a negative impact on PROPEIXE and its development objective. This section describe the magnitude of the risks and discusses mitigation measures included in the project design. Selected risks and the associated mitigation measures are presented in the table below:

**Table 12: PROPEIXE Risks and Mitigation Measures**

<i>Project Risk</i>	<i>Impact/Consequences</i>	<i>Mitigation</i>
Project implementation delays	Effectiveness of the project Non-performance or delays in achieving set project targets	Use of Start-up funds and/or retroactive financing. Systematic follow up of all the conditions of disbursement and other start up activities;
Multiple Coordination mechanisms with different institutions and stakeholders at different levels	Inefficiency performance resulting in delays Delays in disbursement of project resources	Signresult-based MoU/agreements/contracts Reinforce the M&E system
Conflict in the northern Mozambique	Reduction of project interventions in the north; Displaced people	Tailored implementation approach to the area; Interventions based on the vulnerability and conflict assessment recommendations
Inadequate or limited capacity of the private sector	Low private sector engagement and market distortions	Contractors with performancebased contracts and supervision Use of PPP or 4P models
Extreme weather Events	Loss of lives; Destruction of assets and fisheries infrastructure	Awareness and preparedness of the communities Weather indexed insurance Early Warning Systems Met-Station
The current lack of capacity in the local institutions for the administration of artisanal fisheries in terms of staff, functional organization and responsibilities for promoting development initiatives supervise the co-management system, may hinder the implementation of PROPEIXE	Compromise the sustainability of the effects generated by the project after its completion	Support MIMAIP elaborate in strengthening its capacity for the development and the supervision of the co-management in the artisanal fisheries subsector, as well the functional interconnections between institutions of the Fisheries administration in general, fishing operators and other stakeholders with links to artisanal fishing.
The current lack of clarity on how the implementation of projects of national dimension should be carried out within the framework of decentralized governance is the cause of lengthy and differentiated procedures from province to province	Compromises the fluidity, efficiency and effectiveness and may compromise the full scope of their objectives and the sustainability of its effects after its completion	Obtain formal clarity of respective entities on the accountability mechanisms for common areas, and establish rules/ procedure for the implementation of projects of national dimension in which central institutions, their provincial delegations, and provincial and district administration institutions intervene

184. In terms of financial management, the inherent risk at country level is assessed to be high based on prevailing diagnostics of the country environment. The ministry assigned to run PROPEIXE is implementing another IFAD project with reasonably satisfactory FM performance. However experience has shown that projects are slow to start in Mozambique due to a range of factors including protracted recruitment and procurement processes. Managing projects through PFM systems as mandated presents challenges (budget, treasury, IFMIS). PROPEIXE will have a relatively complex financing structure which will require strong financial reporting capacities. A range of mitigation measures and legal covenants are foreseen to reduce FM risk, which however remains assessed as substantial at design stage (both inherent and residual risk). Further details are provided in the annexed Integrated Project Risk Matrix (IPRM).

## **I. Environment and Social category**

185. The environmental and social classification of PROPEIXE is substantial because potential adverse environmental and social effects may pose threats to the environment and humans but are reversible through proposed mitigation measures. Potential threats include overfishing, habitat damage from certain fishing equipment or techniques, mangrove overexploitation for firewood, loss of biodiversity and degradation of coastal ecosystems, and liquid effluent from fisheries processing, packaging, and marketing operations. In addition to solid waste, marine debris, and microplastics, mobile solar dryers will produce hazardous refuse (end-of-life waste). Due to increased competition for resources, there is a high risk of conflict with other users, such as industrial fishing fleets and other land and marine users in the coastal zone.

186. Thanks to the project's emphasis on environmental management, primarily positive environmental effects are anticipated. The project will use participatory methods to identify these impacts, mitigate their severity, and offer alternatives to those who may be adversely affected. Promoting eco-friendly solutions, such as protecting biodiversity and ecosystems, utilizing natural resources in a sustainable manner, providing youth with employment opportunities, and adhering to ILO standards for children in the workplace, will help mitigate risks. The Environment and Social Management Framework (ESMF), which includes the Environment and Social Management Plan, Grievance Redress Mechanism (GRM), Stakeholder engagement plan, FPIC implementation plan, and security management plan, has been developed to guide implementation and prevent negative effects on the environment and social systems.

187. The Project will focus on (i) developing and enhancing Government national regulations and policies to mitigate the negative effects of fishing productivity; (ii) ecosystem restoration conducting comprehensive site-specific studies required to comply with national environmental law and IFAD's SECAP; promotion of low carbon sources of energy; and (iii) monitoring projects for compliance to IFAD SECAP and Government environmental regulations with the latter.

188. There is also a risk of conflict between different actors of the value chain due to the introduction of the REPMAR regulations to ban the beach sein, and possible unemployment due to the introduction of new technologies.

## **J. Climate Risk classification**

189. The climate risk posed by PROPEIXE is substantial. The primary risks emanate from the population's high vulnerability to climate change and limited adaptability. It is anticipated that the frequency of extreme weather events such as cyclones, floods, droughts, and thunderstorms will increase, with devastating consequences for the fisheries industry and the livelihoods of the rural poor<sup>[85]</sup>. PROPEIXE will invest in climate adaptation and resilience initiatives that also contribute to climate change mitigation including: (i) climate information and EWS; (ii) weather insurance; (iii) climate proofed infrastructure; (iv) integrate climate considerations into the process of livelihood diversification; (v) promotion of renewable energy sources along value chain; and (vi) introduction of carbon accounting and carbon markets. These measures will have an impact on both CC adaptation and on CC mitigation, by reducing both direct and indirect GHG emissions. A targeted adaptation assessment comprising prioritized adaptation measures has been developed and incorporated into the programme components.

## **4. Implementation**

### **K. Organizational Framework**

#### **a. Project management and coordination**



190. PROPEIXE's successful implementation will require the active participation of both government institutions and carefully selected private sector institutions with strong pedigree in development. Engagement of service providers will be through a competitive process that will, eventually, involve the issuance of performance-based contracts with clearly defined deliverables. The Programme will work along the artisanal fisheries value chain, from input suppliers through to end users, to improve the economic surplus generated by the value chains, by addressing the identified areas where efficiency, productivity and quality can be improved. When needed, capacity of the implementing institutions will be augmented to equip them with ability to effectively steer and oversee PROPEIXE implementation; this is the focus of Subcomponent 3.1.

### **Project management and coordination**

191. MIMAIP will be responsible for policy and legislative initiatives for promoting any institutional adjustments in the fisheries administration, and for overseeing the project. Coordination and management will be delegated to IDEPA. A Project Management Unit (PMU) will be installed with the responsibilities of daily management and supervision of the project, under the leadership of a Project Coordinator. It will be responsible for programming, budgeting, and allocation of resources, monitoring and providing information for the evaluation of the project. Details on PMU composition can be found in the PIM.

192. Implementation will be carried out by respective IDEPA's provincial delegations, in coordination with ADNAP, INAMAR, INIP and InOM provincial delegations to reach out to district level and local beneficiaries.

193. The project will secure partnerships with institutions from other sectors of the state administration, with an important role in the pursuit of its objectives: (i) ANE for the implementation of road rehabilitation activities; (ii) EDM to implement activities related to extending the national public electricity network to fishing centers and fishing communities; and (iii) FUNAE for the energy supply through renewable sources. INAM will support the EWS and INGD in communities' preparedness and disaster management.

194. A Project Steering Committee (PSC) will be established to oversee the project and will be chaired by the Permanent Secretary of MIMAIP. Other members will be from relevant institutions to the project's implementation (e.g. MEF, MOPHRH, MIREME, MTC, MTA, etc.) Representatives of CCPs and the private sector (CTA) will also be members. Provincial-PSCs will be established and led by the Provincial Governor, their composition and tasks will mirror those of the PSC.

195. Regarding Gender issues the project will: i. seek to guarantee gender balance in all PMUs; ii. sexual exploitation and abuse prevention measures will be included in the Project Coordinator ToRs and will be implemented and respected during project management and implementation; iii. Gender sensitivity/work life balance is to be respected in programme management; and iv. For some positions, the project will encourage and privilege the application of competent women/men (specially in male/ female dominated fields).

### **b. Financial Management, Procurement and Governance**

196. Financial management capacity assessment was conducted during the design mission and included meetings/visits to IDEPA at Maputo and Beira. The total cost of PROPEIXE is estimated at US\$63.3 million over a 7-year period, and will include funding from IFAD, Government of Mozambique, private sector, and beneficiaries. Co-financiers and parallel financiers may include GEF financing and NORAD. The Lead Programme Agency (LPA) of the project will be MIMAIP, and will directly monitor IDEPA. IDEPA has a history of successful implementation of IFAD projects, there have not been significant concerns with the financial management of IFAD supported projects, hence reliance on the institution for effective management of PROPEIXE. Details on Disbursement Arrangements and Flow of Funds can be found under "Disbursement".

197. A constraint that needs to be addressed is full customisation of financial reports from e-SISTAFE to address the financial management requirements. Recommendations for strengthening financial management of the project and proposed covenants are included below.

198. **Financial Management.** The Lead Agency (LA) of the project will be MIMAIP delegating IDEPA the implementation of the project. IDEPA is a National Institute under MIMAIP with a management structure comprising operations departments, and support departments which include Finance and Administration, IT, and Human Resources and Procurement. IDEPA has provincial delegations which have finance staff who will be responsible for financial accounting aspects of the project at the sub-national level. Financial management arrangements will be mainstreamed within Government systems which provide adequate controls. These arrangements will be similar to those of the ongoing PRODAPE project.

199. Financial management will be the responsibility of a dedicated finance team within the PMU. The PMU finance team will include a finance manager and at least two accountants to ensure segregation of roles and efficient coverage of the FM function. Finance staff of IDEPA provincial delegations receiving PROPEIXE resources will be trained by the PMU to ensure that financial reporting is provided from decentralized levels.

200. **Financial management organization and staffing.** The staffing complement will mirror that of PRODAPE, currently implemented by IDEPA comprising of a finance manager and three accountants. To gain from the experience of the current team, a consolidated finance team for both projects comprising of the finance manager and accountants for each project should be considered. The proposed structure should include a finance manager supported by four to six accountants, some of whom may have responsibilities across the projects. Each financier will have a dedicated senior accountant to support project financial reporting, with the finance manager having the overall responsibility for both projects. Job descriptions of FM staff will be similar

to those of the PRODAPE team and included in the PIM.

201. **Budgeting.** Budgets for IFAD projects in Mozambique cover one-year periods and are based on the priorities needed to achieve project objectives are based on IFAD guidelines and are in line with the project design document. Budgets are also subject to clearance by IFAD prior to implementation. The process of developing the AWPBs is participatory and is generally led by the project M&E officer and including the technical specialists, procurement officer, and finance staff. AWPB priorities are also based on the PDR and linked to specific geographical areas for each component. AWPBs are reviewed and approved by the PSC prior to submission to IFAD for no-objection.
202. **Internal Controls and Internal audit arrangements.** There are sufficient controls within the government financial systems to effectively manage external funding. Specific to project financing, there have not been incidences of government interference with project funds that would cast doubt on the ability of the project to successfully implement the project. There is sufficient segregation of duties between the initiating department, ordering process, and receiving procedures. There are clear finance policies at the LA. Project-specific guidelines are outlined in PIM.
203. Internal audit of the project will be conducted by the internal audit department of IDEPA. The IA staff of the LPA possess requisite skills and experience (mainly CPAs/CAs). The IA function is an independent department within the LPA. However, there have been persistent resource constraints in terms of number of staff in the department which has hindered performance of internal audit reviews of the IFAD project. As of 30 June 2023, there had been no internal audit conducted for the existing project, which has been attributed to limited resources with the internal audit department of IDEPA.
204. The project activities to be implemented especially at the sub-national level will require close monitoring to ensure that appropriate controls are put in place and regularly monitored for effectiveness. The role of the internal audit function must therefore be emphasised at national level and in the IDEPA provincial delegations. Additionally, internal audit reviews should also cover review of activities that will be undertaken by other implementing partners, a condition which will be included in the MoUs. Resource constrains at the LPA can be overcome through recruitment of an internal auditor to supplement the efforts of the internal audit department of IDEPA, focusing mainly on the two IFAD financed projects under MIMAIP.
205. **Accounting Systems and Financial Reporting mechanisms.** The project will use the government accounting system (e-SISTAFE) which is used across all government ministries in Mozambique. The system is used for processing financial transactions incurred by the project at national and sub-national levels, and is integrated across both levels. Payments are also made within the system, through a sub-system known as treasury single account (CUT), which is a module/ledger within e-SISTAFE. No government payment can be paid outside of CUT. The entire e-SISTAFE system is controlled and managed by Ministry of Economy and Finance.
206. However, the e-SISTAFE system is not fully tailored for IFAD financial reporting requirements. The system lacks project specific chart of accounts, which makes it difficult to map transactions based on IFAD's FM requirements, that is, by cost category, by component, and by financier. The same mapping should be done in order to segregate transactions by the different provincial delegations. The customisation process is ongoing for the current project (PRODAPE) and should be suitable for PROPEIXE as well. There are sufficient controls within e-SISTAFE to facilitate segregation of duties between the initiators, reviewers and approvers of financial transactions. Whereas financial reports of the current project are prepared on a timely basis, this is done by analysing data extracted from e-SISTAFE in Excel. Use of Excel for financial reporting poses a major risk to the accuracy and completeness of the financial transactions. Details on fixed assets, counterpart contributions and financial statements can be found in the PIM.
207. Counterpart contributions in kind, such as office space, labour by beneficiaries, will be separately recorded as provided for in the project PIM. In-kind contributions will be reported separately as notes to the financial statements.
208. Conditions precedent to disbursement of funds to the project IPs will include IFAD no-objection of MoUs signed with implementing partners (INOM, INAM, ADNAP).
209. **External Audit.** The Administrative Court (*Tribunal Administrativo*: TA) is the Supreme Audit Institution in Mozambique in charge of the audit of all public institutions and State entities at central, provincial and local levels. There is agreement for SAI to commence the review of IFAD projects in the country starting with the financial year ending 31 December 2023. Whereas the assessment during the design mission did not specifically cover the structures of the SAI, the institution has not audited IFAD projects in previous years. However, there is agreement to commence the review of IFAD projects in the country commencing with the financial year ending 31 December 2023. The SAI currently audits projects funded by the World Bank and USAID.
210. External audits for IFAD supported projects in Mozambique are generally satisfactory. There has been an effort in the last year to provide feedback to the auditors, especially regarding compliance with IPSAS cash basis of accounting. Audits are conducted in line with the International Standards on Auditing.

211. Table: Implementation Readiness (actions needed to mitigate FM risks)

	<i>Action</i>	<i>Responsible Party / Person</i>	<i>Target Date / Covenants</i> <sup>[1]</sup>

	<i>Action</i>	<i>Responsible Party / Person</i>	<i>Target Date / Covenants</i> <a href="#">LI</a>
1	<p><b>Establish the FM structure of the project, including recruitment of staff within six months of entry into force.</b></p> <p>Final FM structure of the PMU to be refined and staff recruited within six months of entry into force. Training of all finance staff at national and sub-national level to be conducted within the start-up phase of the project.</p>	Director General, IDEPA	Within six months of entry into force
2	<p><b>Establish the PSC prior to commencement of the project, or during the start-up phase.</b></p> <p>Set-up of the PSC should be completed (including selection of PSC members and drafting the relevant TORs) before commencement of the project.</p>	Director General, IDEPA	Within six months of entry into force (dated covenant)
3	<p><b>Open designated and operational bank accounts for each project financier to facilitate traceability of funds.</b></p> <p>DA for each financier to the project and corresponding operational accounts in CUT will be opened prior to the first withdrawal.</p>	Director General, IDEPA	By entry into force date (disbursement condition)
4	<p><b>Develop tools for capturing counterpart contributions.</b></p> <p>Develop tools during the start-up phase to capture all counterpart contributions by government and beneficiaries.</p>	M&E Manager, PROPEIXE	Within six months of entry into force
5	<p><b>Customise the accounting software (e-SISTAFE) to facilitate compliance with IFAD financial management requirements.</b></p> <p>Complete the ongoing customisation process of e-SISTAFE to suit IFAD financial reporting requirements prior to the first withdrawal.</p>	Director General, IDEPA	By entry into force date
6	<p><b>Include the new project in the annual plan of the internal audit department.</b></p> <p>The project should be included in the internal audit work plan for each year. If there will be delays by the internal audit department to review the project, an internal auditor should be recruited to supplement the efforts of the internal audit department of IDEPA, focusing mainly on the two IFAD financed projects under MIMAIP.</p>	Director General, IDEPA	Within the first year of entry into force
7	<p><b>Prepare project annual financial statements in line with IPSAS cash basis of accounting standards.</b></p> <p>Project to prepare financial statements in compliance with IPSAS cash basis standard.</p> <p>Engage the TA early for inclusion into their external audit plan from the first year of the project.</p>	Finance Manager, PROPEIXE	Within the first year of entry into force

	Action	Responsible Party / Person	Target Date / Covenants <sup>11</sup>
8	<p><b>Disbursement of funds to implementing partners (INOM, INAM, and ADNAR) will be conditional to IFAD no-objection of MOUs signed between IDEPA and the IPs.</b></p> <p>Agree with implementing partners and seek IFAD no-objection before signing the MOUs.</p>	Project Coordinator	Within the first year of entry into force

212. **FM Supervision plan.** Based on the assessment during the project design, FM supervision during the life of the project should focus on the following: (i) Capacity building of project finance staff. FMD staff/consultants should provide training to project FM staff remotely and during supervision missions covering major components of IFAD financial reporting. These should include interim financial reporting, compliance with IPSAS cash basis reporting standards, preparation and submission of withdrawal applications; (ii) Review of financial performance at national and sub-national levels. Such reviews will include visits to provincial delegations and districts to identify bottlenecks to implementation from FM perspective. Emphasis should be made on recognition of counterpart contributions from project inception; (iii) Engagement with internal and external auditors. Engage internal and external auditors to obtain additional assurance, especially in areas not covered during supervision missions; and (iv) Monitor usage of the accounting software during implementation, including assessment of reports generated. Further improvements that may be necessary to enhance financial reporting through the accounting software should be communicated to the CEDSIF team.

213. Refer to detailed annex on FM arrangements for Fund-flow chart

214. <sup>11</sup> The legal and regulatory framework contained in Decree No. 79/2022 of December 30 establishes the institutional framework required to support the procurement for goods, works and services. The procurement risk assessment for PROPEIXE shows that country procurement risk and project institutional risk are medium. The country's legislative and regulatory framework is adequate to address procurement processes under PROPEIXE.

216. The procurement of goods, works and services will be carried out in accordance with the national legal and regulatory framework with an addition that it should comply with IFAD requirements to be specified in the Financing Agreement and the Procurement Arrangements Letter. However, procurement under international competitive bidding will use IFAD procedures and IFAD standard bidding documents.

217. The use of the Article on Special Regime in the national procurement law provides a conducive procurement operational framework for IFAD-funded projects to reduce delays. However, the long-time taken to obtain visas for contracts at the Administrative Court before projects are allowed to execute contracts prolongs the procurement process.

218. The assessment of IDEPA's organizational procurement personnel and operational resources, indicates a need for improvement in the following areas to ensure that value for money and quality are enhanced: (i) integrating procurement in the annual work planning and budget formulation process; (ii) contract administration and management; (iii) record keeping and information management of procurement processes; (iv) procurement monitoring and reporting; and (v) additional training of the procurement cadre including through the IFAD Build Proc training programme to improve the procurement capacity of the PMU.

219. High value procurement actions will be carried out through the NPMU. At the provincial level, procurement will be limited to small works and locally available service providers subject to close supervision by the NPMU.

220. The Project shall prepare and furnish to IFAD for its approval, a Procurement Plan covering the first 18 months of the project prior to initiating any procurement activities. It will be followed by successive 12-month plans synchronized with the AWPBs during implementation. PROPEIXE shall update the PP annually or as needed throughout the duration of the project. All such updates of the procurement plan shall be subject to IFAD's no objection. Items procured outside the approved procurement plan and the related AWPB will be declared mis-procurement and the related expenditure will be ineligible for financing from the loan/grant proceeds.

221. In addition to prior review supervision, IFAD will undertake twice yearly supervision and implementation support missions to review project implementation status and provide technical support and quality assurance of the assessment. The supervision missions will (i) verify that the procurement and contracting procedures and processes followed for the projects were in accordance with the Financing Agreement and the Procurement Arrangements Letter; (ii) verify technical compliance, physical completion and price competitiveness of each contract in the selected representative sample; (iii) review and comment on contract administration and management issues as dealt with by the PMU; (iv) review capacity of the PMU in handling procurement; and (v) identify improvements in the procurement process in the light of any identified deficiencies.

## L. Planning, M&E, Learning, KM and Communication

### a. Planning, M&E, Learning, Knowledge Management and Communication

222. Planning and budgeting will be guided by management instruments used in public administration as well as those specifically established for the Programme based on Annual Work Plans and Budgets (AWPBs). The AWPB will take into consideration the Government Five-year Plan priorities and will have activities disaggregated at Provincial and District level. The National M&E Officer is responsible for coordinating the elaboration and consolidation of the AWPB with activities and budgets provided and closely discussed with the project specialists. In addition, the National M&E Officer works in close collaboration the National Procurement Officer. Project planning will also be conducted in close collaboration with key stakeholders at national, province, district, and community level. CBOs such as the CCPs and other representatives of the target group will be part of the Project planning process, thereby ensuring beneficiaries' participation in the development of the AWPB. The provincial and district plans will be coordinated by the IDEPA Provincial M&E Officers, that will then share it with the National M&E officer for final consolidation. This exercise will be conducted in a timely manner in order to allow it to be shared with Government Authorities and approved by the National Assembly. The consolidated AWPB will be submitted to the PSC for review and approval and then sent to IFAD for No Objection at least 60 days before the start of the Project year.
223. **M&E System and Reporting.** PROPEIXE will set up a solid M&E system in line with IFAD and Government guidelines, aimed at consolidating and enriching existing country data systems on artisanal fisheries. The M&E system (with the M&E Manual, Plan and Reporting tools being developed by the M&E team) will generate timely information to support decision-making and adaptive management, and it will provide the necessary elements for a robust evaluation of project results. A proper MIS will be attached to the M&E system to collect data and produce regular reports with appropriate analysis and graphs. A consulting firm, which will be specialised in software development, will design a software that aligns to the M&E manual and tools prepared by the PMU.
224. The PROPEIXE LF (Annex 1) will guide the development of the AWPB and the reporting and monitoring system. LF indicators are aligned to those of the Mozambique 2023-2027 COSOP Results' Framework (RF) - 12 LF indicators can directly feed into the COSOP 2023-2027 RF and be aggregated under each strategic objective. While the LF is a selection of the most important progress indicators, PROPEIXE will also collect data on a larger number of indicators, which are listed in the project's RF annexed to the PIM.
225. Building on lessons learned from M&E-related challenges faced by IFAD-supported projects in the country, PROPEIXE's M&E system will be based on two principles: simplicity and focus on existing country data systems. The system will be participatory and gender sensitive. Data will be disaggregated by gender, age, PwDs and by IDPs.
226. Data on activities and on outputs will be collected on a continuous basis on all project activities and beneficiaries. Data on outcomes and impact will be collected on a sample of beneficiaries through baseline, mid-line and completion surveys in alignment to the IFAD guidelines for the measurement of Core Indicators at Outcome level<sup>[86]</sup>. These surveys will be in line with the mainstreaming themes and will include all the relevant questions related to empowerment and to nutrition. Qualitative thematic studies will be carried out if and as needed to shed additional light on specific findings of the quantitative surveys. Surveys and studies will generally be conducted by a consultancy firm, hired through a competitive procurement process under supervision of the M&E staff.
227. Data collection, verification and use will be a joint task by all project stakeholders. The primary responsibility will lie with the M&E unit within the PMU, composed of a senior M&E officer, an M&E assistant, and a KM and Communications officer. At district or community level data will be collected mainly by fisheries extension officers, but also by selected and trained beneficiaries such as CCPs, contact fishermen, representatives of trading and processing associations, etc., in these cases to be validated by the extension officers, SDAEs, IDEPA provincial M&E team, and by SPAEs, before it is shared with IDEPA at central level.
228. PROPEIXE will support ADNAP in transitioning from the Pescart system for the collection and analysis of fisheries-related data to Open ArtFish<sup>[87]</sup>. Digital data collection at landing sites through Open Data Kit (ODK) will be promoted, and PROPEIXE will support ADNAP in delivering the necessary training and equipment to data collectors, as referred in paragraph 235. By providing equipment and training to extension officers, the project will also support ADNAP with the ongoing registration of artisanal fishermen. Completing the digital registry of artisanal fishermen will facilitate data collection by providing each fisherman with a unique identification card. This will enable following up on licensing of boat and fisher gear, as well as traceability. PROPEIXE will also set up its own Management Information System, which will include geospatial data to allow mapping of fishery resources.
229. Data on fisheries is currently collected prevalently by IDEPA extension officers, who face challenges due to insufficient training, equipment, and means of transport. In addition to the above-mentioned provision of training and equipment to extension officers, PROPEIXE will also address this challenge by encouraging CCPs to play a role in data collection. This participatory approach to M&E, is expected both to improve data availability, to strengthen community ownership of project interventions, and to contribute to sustainability of project interventions.
230. **Knowledge management, Communication and Learning, Innovation and scaling up.** PROPEIXE will first be a learning project, integrating lessons from PROPEXCA and capitalizing on experiences from other African countries on equipping artisanal fishing boats (Senegal, Mauritius) and on promoting mariculture. Technical staff and extension officers will visit countries like Madagascar and Tanzania (Zanzibar) who are already engaged in promoting cultivation of mussels and seaweed. In general terms KM activities will be the main responsibility of the KM Officer, with immediate support of the M&E Unit and M&E staff at IDEPA's provincial delegations. In a second step, the Project will collect its own lessons and disseminate these to relevant stakeholders through briefs, newsletters, and studies. These lessons will primarily be conceived by the technical staff, extension officers and beneficiaries since those are the ones with direct implementation on the field, and will be then discussed and discussed by the PMT and other staff from relevant National Institutions, and disseminated under the main responsibility of the KM Officer. Knowledge Management (KM) and communications shall be closely linked to the policy engagement objectives and will disseminate lessons learned from PROPEIXE approaches. The KM studies will be informed also from the M&E system of PROPEIXE.

231. In collaboration with InOM, PROPEIXE will carry out diverse studies. The KM Officer holds the responsibility of translating the findings of research supported by the Project into accessible knowledge products to be disseminated amongst fishermen, extension officers and other relevant value chain actors.
232. Synergies will be promoted between the KM activities of different IFAD-supported projects in Mozambique. In collaboration with PRODAPE, the KM Officer will establish a digital library to store and promote accessibility of all project documents, and will ensure visibility of project interventions through social media, and specialized international communities of practice. Success stories will be publicized through short videos. PROPEIXE's visibility will be enhanced through a dedicated website, to be developed by a consultant/ consultancy firm.
233. Through radio, TV campaigns, and events organised in primary and secondary schools, PROPEIXE will also promote a broader societal awareness of the importance of conserving marine natural resources. The Project will produce audio and visual material to communicate and build knowledge of farmers on mariculture. Exchanges will be promoted between people new to mariculture in the north and people in the south who already have some experience. The Project will also organise fish fairs for fishermen to show and promote their products and gain exposure to new technologies. These activities are the main responsibility of the KM team, in collaboration of the technical project staff, extension officers and local Governments.
234. The KM officer will work in close collaboration with the M&E officer to ensure that M&E findings on project results are widely disseminated in a clear, synthesized, and interesting way and that knowledge products are backed up by solid M&E evidence. Field visits to collect stories by the KM team will be also used for triangulating M&E data, and case studies will be used to deepen the understanding of factors contributing to successes and failures, and to enable full documentation of impact.

## **b. Innovation and scaling up**

235. PROPEIXE will pilot and promote different innovative technologies at production or post-production levels that can be further considered for scale up. These include the use of innovative techniques for boat construction, as well as post-handling practices, particularly for fish drying and smoking using affordable and green efficient technologies; solar powered cold storage equipment and ice making plants, as well as environmental green and resilient technologies on climate proofed infrastructures. In addition, carbon markets, micro insurance and digital information platforms (Open Artfish) will be piloted and also scaled-up by private sector and public interventions, based on the successful outcomes demonstrated in this project.
236. The innovative features of the project include its focus on climate proofing and greening the fishery value chain, as well as supporting the development of local MSMEs through a graduation approach based on the introduction of new sustainable fishing techniques and practices that are to be assessed in terms of their economic and financial viability and where appropriate supported to transition into local MSME start-ups.
237. The scaling-up of the activities is to be achieved through strategic partnerships with other IFAD investments, such as REFP, which will offer business financing opportunities to support expansion of existing and the creation of new businesses based on the alternative green livelihoods and sustainable fishing opportunities created by the project.
238. Successful mariculture pilots, especially seaweed production based on demand from industry off-takers offers an opportunity for scaling up and replication along the coast.
239. Similarly, the successful demonstration of PPP models for market infrastructure and value chain services will provide an opportunity for replication in other existing fishing market sites that are currently underperforming. A clear pathway for successful public-private engagement would result in scaling of increased private sector participation in vital sector infrastructure and service development and lead to replication at national level.
240. Finally, a key innovation will be the formalisation of the role of the CCPs as resource management partners to the government institutions and their capacity building beyond data collection, but also data analysis and reflection of results into local resource management plans that ensures ownership, compliance and evidence-based management practices. The positive impacts on fisheries stocks and the resilience to environmental shocks will provide an example to be replicated along the coast. In order to support the capacity for replication, IDEPA capacity on the ground will be enhanced in order to achieve the effective delivery of its mandate.

## **M. Project Target Group Engagement and Feedback, and Grievance Redress**

### **a. Project Target Group Engagement and Feedback.**

241. The project approach is based on community consultation, placing attention to capture and integrate the view of all stakeholders into their self-driven development. Mobilization activities include key steps such as: information, consultation, engagement with all social actors and specific measures for social inclusion of the most vulnerable as outlined in the targeting and social inclusion strategy.
242. In the initial stages of implementation, the project will work with community members and CBOs including village elders and local leaders, to inform them about the project activities. Consultations will take place in all communities as well as separate discussion with women, youth, representatives from marginalized groups (IDPs and also PwD) as well as their representation in decision making will be a key enabling instrument to ensure their pro-active participation, consultation, and feedback.
243. It is expected that field staff in particular, are attentive to critical monitoring of intended beneficiaries to ensure they are effectively reached and understand the effects of interventions within each target group. Field staff will also monitor, through participatory processes, the occurrence of any unintended effects of project on men, women and youth, together with gender relations in target communities. The project's mid-term review will also assess targeting effectiveness, and the quality of participatory processes used by the project, including processes used to monitor targeting performance.

#### **b. Grievance redress.**

244. An adequate Grievance Redress Mechanism (GRM) will be established to ensure that project participants may communicate their concerns due to project activities either with the relevant focal point at the local level or with central level and it is required this mechanism be publicized at the local level and in the local language. The GRM will follow established practices, and will provide multiple access points (telephone, complaints box, website, email, postal address) so that beneficiaries will know whom to contact with regard to their concerns. The Project Coordinator will have the overall responsibility to address concerns brought to the attention of the focal point regarding any environmental and/or social impacts due to program activities. Additionally, a complaint and suggestion box will be made accessible in key locations. Complaints received by the implementing agency shall be recorded and duly documented in a progress report, detailing the number and type of complaints, as well as the results of their resolution. A guidance on the implementation of the GRM was developed during design and attached in the ESCMF.

## **N. Implementation plans**

#### **a. Supervision, Mid-term Review and Completion plans.**

245. A draft AWPB, Procurement and Project Implementation Manual have been prepared as part of the design. In addition, an implementation readiness action plan was prepared as part of the mitigation plan at financial management. All these aspects as per other planned interventions such the use of Start-up funds and/or retroactive financing and systematic follow up of all the conditions of disbursement and other start up activities, will be approved along with the PDR, and will save ample time at the beginning of PROPEIXE implementation.
246. Other steps to be taken to ensure a smooth and quick project start-up will include: (i) build on the existing IDEPA and PRODAPE structure and mechanisms; (ii) Ensure the timely and competitively recruitment of the key staff and specialists. The Ministry of Agriculture and Rural Development (MADER) has a good and solid recruitment process, and be involved in the support to MIMAIP, given its rigorous processes and approaches on staff recruitment. In addition, the Government will also explore if needed the possibility to conduct the recruitment using HR companies; (iii) accelerate the disbursement of start-up funds, or government advance for initial interventions.

#### **Supervision, Mid-term Review and Completion plans**

247. **Supervision and implementation support:** Missions will be organised jointly by IFAD and the Government of Mozambique to review progress and assist PMU and its partners to improve implementation. The supervision missions will assess overall physical and financial performance, identify challenges and propose measures to address them. They will be geared towards ensuring the project compliance with all fiduciary aspects of the financing agreements. Standard IFAD procedures for project supervision will be used covering all aspects of implementation including SECAP requirements. Annual supervision missions will be complemented by continuous engagement from the IFAD country office, supported by consultants, regarding strategic elements of the Project.
248. **Mid-Term and Completion.** A joint Mid-Term Review will be carried out in the fourth project year and a completion report will be prepared by the end of the project. The project will undergo midline and end line surveys that comply with IFAD Core Indicator Guidelines.

## **Footnotes**

[1]Cortez, E. et al. (2021). "Costs and Consequences of the Hidden Debt Scandal of Mozambique". Chr Michelsen Institute.

Accessed at: <https://www.cmi.no/file/4442-Costs-and-consequences-of-the-Hidden-Debt-FINAL.pdf>

[2] World Bank (WB) (2022). "GDP growth (annual %) – Mozambique". Accessed at: <https://data.worldbank.org/indicator/NY.GDP.MKTP.KD.ZG?locations=MZ>

[3] United Nations (2022). *United Nations Human Development Report 2021-2022*. Accessed at: [https://hdr.undp.org/system/files/documents/global-report-document/hdr2021-22pdf\\_1.pdf](https://hdr.undp.org/system/files/documents/global-report-document/hdr2021-22pdf_1.pdf)

[4] UNDP Human Development Report 2022 [link](#)

[5] Ibid.

[6] <https://documents1.worldbank.org/curated/en/342481619154376842/pdf/Fisheries-in-Mozambique-A-Snapshot.pdf>

[7] <https://thedocs.worldbank.org/en/doc/608a53dd83f21ef6712b5dfef050b00b-0090082023/original/FCSListFY24-final.pdf> [Stage in transition and presence of fragility](#) Since 2017 there has been an armed insurgency in the Northern provinces, and the security situation remains volatile. *In 2021 the country was, again, included in the World Bank's List of Fragile and Conflict-affected Situations and still remains in the list (FY24 FCS)*

[8] Resilience also includes climate resilience

[9] This project will benefit more than one person per household with the full set of services, (e.g. information, trainings, access to finances), that is why 90 000 direct beneficiaries do not correspond to 90 000 households. On the other hand, the 32 500 beneficiaries of roads will be the whole members of the equivalent households (around 7 558) benefiting from the rehabilitation of feeder roads.

[10] Average household size is 4.3, therefore 40 000 households correspond to 172 000 people.

[11] 40 and 50 percent of the beneficiaries (22 800 and 28 500 respectively of the total 57 000) receiving a full set of the project services. Details can be found in Table 3. Beneficiaries per component.

[12] A draft PIF has been developed and will be submitted to GEF secretariat in October 2023 for consideration

[13] World Bank data 2021, [link](#)

[14] <https://www.imf.org/en/News/Articles/2023/07/06/pr23258-mozambique-imf-exec-board-completes-2nd-rev-ecf-arr>

[15] Economist Intelligence, 2023, Country Report Mozambique

[16] UNDP Human Development Report 2022 [link](#)

[17] United Nations (2022). *United Nations Human Development Report 2021-2022*. Accessed at:

[18] World Bank, fishery governance and shared growth in Mozambique, [link](#)

[19] World Bank (2020) "Prevalence of severe food insecurity in the population (%) – Mozambique". Accessed at: <https://data.worldbank.org/indicator/SN.ITK.SVFI.ZS?locations=MZ>

[20] Ibid.

[21] <https://documents1.worldbank.org/curated/en/342481619154376842/pdf/Fisheries-in-Mozambique-A-Snapshot.pdf>

[22] Mozambique acute security situation report, November 2021, [link](#)

[23] World Food Programme, Country Brief, 2022 [link](#)

[24] *Reference to: Strategy for engagement in countries with fragile situations, Dec 2016 and to the Special Programme for Countries with fragile situations (IFAD11 commitment 35).*

[25] <https://thedocs.worldbank.org/en/doc/608a53dd83f21ef6712b5dfef050b00b-0090082023/original/FCSListFY24-final.pdf>

[26] In 2022 it is estimated that at least 1.5 million people in northern Mozambique needed life-saving and life-sustaining humanitarian assistance and protection. OCHA. (2022). *Mozambique: Humanitarian Response Dashboard* (August 2022). Accessed at: <https://reliefweb.int/report/mozambique/mozambique-humanitarian-response-dashboard-august-2022>

[27] World Bank, Nutrition Smart Agriculture Country profile, Mozambique, 2020 [link](#)

[28] stunting ranges from 27 % among children whose mothers and or caregivers have a secondary education or higher to 47 % among those whose mothers and or caregivers have no education.

[29] Global Gender Gap report, World Economic Forum, 2022 [link](#)

[30] Trends and patterns of child marriage in Mozambique: Evidence from the 2017 Census, UNFPA 2020, [link](#)

[31] United Nations, 2021. Mozambique common Country Analysis.



[32] Ocean Risks report, gender and fisheries, Mozambique country fact sheets, Ocean Risk and Resilience Action Alliance (ORRAA). [link](#)

[33] For fish capture women often use nets of small mesh sizes and they also rely on shell collection. They have fewer assets and cannot afford expensive fishing gear or the start-up capital required for trading and processing activities. In the post-harvest sector, the majority of women fish traders operate informally: outside established markets, on the streets or door-to-door in urban and rural areas.

[34] UNCDF Youth Start Global: Youth Economic Opportunity Ecosystem Analysis, 2015, [link](#)

[35] BTI Transformation Index report, Mozambique, 2020 [link](#)

[36] ToC for gender pathways available in the PIM with greater details.

[37] Already existing matching grants facilities, for example the one implemented by IFAD funded project (REFP), or any other existing facilities implemented by potential partners as long as fully aligned with IFAD Rural Financial Inclusion Policy.

[38] [www.ipcc.ch](http://www.ipcc.ch)

[39] <https://gain-new.crc.nd.edu/>

[40] [Readiness rankings | ND-GAIN Index](#)

[41] [EM-DAT | The international disasters database](#)

[42] <https://reliefweb.int/report/mozambique/mozambique-response-plan-cyclone-freddy-floods-cholera-march-september-2023>

[43] <https://documents1.worldbank.org/curated/en/403651525888008345/pdf/Communities-livelihoods-fisheries-fisheries-governance-and-shared-growth-in-Mozambique.pdf>

[44] *the cultivation of marine organisms in their natural environment.*

[45] an IFAD-funded project in Mozambique

[46] "Sementes da Mudança" PROMER's approach in promoting gender equality (report on lessons learned).

[47] Preliminary fishery artisanal census results (IDEPA).

[48] Data from the statistic institute INE (last available 2016) and IPC publication (2022);

[49] Information provided by the Oceanographic Institute of Mozambique (INOM) on conservation status of coral reef, mangrove forest among others.

[50] On the basis of data and information (quantitative and qualitative) a ranking exercise has been conducted during the design process to properly weight variables and identify priority districts for project intervention.

[51] Various ongoing or soon-to-be-started initiatives supporting sustainable artisanal fisheries in the project area will provide good opportunities for collaboration and complementarity of operations. Most notably: (i) four World Bank supported initiatives (MozRural, MozNorte, ProBlue and NCRP) in northern and central Mozambique, providing assistance to build social and economic resilience of farming and fishing communities, including integrated development of marine communities and coastal resources and support for internally displaced persons; Initiatives supported by the WB which include the provision of matching grants for investments in the fisheries and aquaculture value chains (managed by the Blue Economy Development Fund, PROAZUL) which will be available for financing investments and operations of PROPEIXE beneficiaries.

[52] Ministry of Finance and Economy: fourth national assessment of Poverty and well-being in Mozambique, 2016 ( based on family income survey IOF 2014-2015) [link](#)

[53] [link](#) to IPC report

[54] Based on humanitarian response

[55] For details refer to SECAP in Annex 5

[56] Average household size is 4.3.

[57] Not including the beneficiaries of the rehabilitation of feeder roads.

[58] This project will benefit more than one person per household with the full set of services, (e.g. information, trainings, access to finances), that is why 90 000 direct beneficiaries do not correspond to 90 000 households. On the other hand, the 32 500 beneficiaries of roads will be the whole members of the equivalent households (around 7 558) benefiting from the rehabilitation of feeder roads.

[59] Activities will be selected based on business viability and discussion with communities.

[60] e.g. boat building/repairs, boat engine repairs, making/mending nets, outlets for fishing inputs, ice making, fish distribution etc

[61] E.g food preparation.

[62] Overall 27% in the targeted districts (95% Cabo Delgado and 6% Nampula).

[63] Data on IDP are reported in the SECAP

[64] Mozambique's most recent population census, conducted in 2017, estimated that 2.6 per cent (or 727 620 out of 28.6 million people) live with a disability. To estimate PWD participation a proxy similar to the national percentage is applied.

[65] As previously explained.

[66] ToC for gender pathways available in the PIM with greater details.

[67] The Fisheries gender strategy and its implementation plan will be based on the national Gender Strategy, that can be found in the following link: <http://forumulher.org.mz/wp-content/uploads/2018/09/POLITICA-DE-GENERO-e-Estrategia-Implementacao-APROVADA-CM-11.09.2018ooo.pdf>

[68] ToR available in the PIM.

[69] Activities are in line with UN comprehensive strategy to support the Government of Mozambique in addressing the situation in Cabo Delgado specifically Socio-economic sustainable development, and recovery, resilience and peacebuilding (workstream 2). The strategy includes: Ensure active participation of young people and youth and base the whole development engagement on a thorough transformative focus for gender parity.

[70] PRODAPE and PROCABA are also working with INAM with meteorological stations and climate information systems for farmers.

[71] Currently the standards are focused for the export market.

[72] Montepuez/Cabo Delgado, Belenenses/Nampula, Mocuba/Zambézia and Praia Nova/Sofala and Maputo City.

[73] Individual or group enterprises

[74] Contracted PCR practitioners will hire and train community promoters as part of the strategy to achieve sustainability. They will be assisted to register as associations of local service providers and continue servicing existing groups beyond the project duration, and also help other community members wishing to form new groups and engage in similar operations. More importantly, they will ensure that at the end of each cycle, all members receive their savings back, plus the correspondent interest. The service comes with a fee agreed with the groups. (described in further detail in the PIM)

[75] The report of the Impact Assessment of the Road Rehabilitation in PROMER indicates that most of the roads were rehabilitated at average cost within local standards and most of them within the allotted time. The average cost/km of the spot improvements was USD12,303/km, 82% of the projected USD15,000.00/km. The average cost/km of the total/full rehabilitation in Phase II was USD 15,018/km against the USD15,000/km initially planned. The proposed PROPEIXE targeted quantities and related costs have been projected using these figures as reference, reinforcing the climate proofing, inflation and average market prices.

[76] Including upgrading existing relevant wholesale markets

[77] Four experts, costed under other sub-components, that would combine support for implementation of project activities with training/capacity building for the different IDEPA departments:

1. Environment and Climate Change Technical Specialist
2. Fisheries Technology Specialist
3. VC and Marketing Specialist
4. Rural Infrastructure Technical Specialist – to be based in INFRAPESCA

[78] For example, the Instituto Politécnico "Mártir Cipriano" de Nacuxa in Mossuril District in Nampula, which has boarding school and provides training on Fisheries and Navigation.

[79] <https://www.fao.org/documents/card/en/c/14356EN>

[80] <https://www.fao.org/3/i2801e/i2801e.pdf>

[81] Design started in February with the Concept Note Mission, followed by a Design Mission from 22 May to 09 June 2023.

[82] Based on Multilateral Development methodology, <https://www.eib.org/attachments/press/2017-joint-report-on-mdbs-climate-finance-48p.pdf>

[83] [Mozambique Gross Savings Rate | Economic Indicators | CEIC \(ceicdata.com\)](#)

[84] [Mozambique Prime Lending Rate - Forecast \(tradingeconomics.com\)](#)

[85] Nationally Determined Contribution, Mozambique 2020-2025

[86] The COI guidelines.

[87] The FAO-designed system currently being piloted.



## **Mozambique**

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### **Artisanal Fisheries Resilient Development Project**

### **Project Design Report**

### **Annex 1: Logframe**

Mission Dates: 22 May – 09 June

Document Date: 25/10/2023

Project No. 2000004008

Report No. 6599-MZ

East and Southern Africa Division  
Programme Management Department



## Artisanal Fisheries Resilient Development Project

### Logical Framework

Results Hierarchy	Indicators				Means of Verification			Assumptions
	Name	Baseline	Mid-Term	End Target	Source	Frequency	Responsibility	
<b>Outreach</b>	1 Persons receiving services promoted or supported by the project				Primary data collected through the project M&E system	Annual	PCU	Project activities are implemented as planned. The target group - especially youth and women - are interested in and capable of engaging more in the fish value chain.
	Males	0	22500	45000				
	Females	0	22500	45000				
	Young	0	18000	36000				
	Not Young							
	Non-Indigenous people							
	Total number of persons receiving services	0	45000	90000				
	Persons with disabilities	0	1170	2340				
	1.b Estimated corresponding total number of households members				Primary data collected through the project M&E system	Annual	PCU	
	Household members	0	86000	172000				
1.a Corresponding number of households reached				Primary data collected through the project M&E system	Annual	PCU		
Households	0	20000	40000					
<b>Project Goal</b> Sustainably increase the incomes, nutrition and food security by addressing the main barriers to sustainable production and marketing for artisanal fisheries.	Households reporting increased annual net income (fish producers, processors, input suppliers)				Demographic health and nutrition survey; COI surveys	Baseline, mid-line, completion	External sources and outsourced COI survey	Economic and weather conditions remain favourable. Economic recovery Political enabling environment and stability in the North region of the country
	Households	0	14000	26000				
	Households	0	35	65				

Results Hierarchy	Indicators				Means of Verification			Assumptions
	Name	Baseline	Mid-Term	End Target	Source	Frequency	Responsibility	
	Households in targeted areas who are food-insecure				Demographic health and nutrition survey; COI surveys	Baseline, mid-line, completion	External sources and outsourced COI survey	
	Households	50	45	40				
<b>Development Objective</b> Increase the sustainability of fishery value chain returns, by promoting responsible fisheries, community conservation and restoration of ecosystems and biodiversity, while also supporting fishery community resilience through diversification of livelihoods	2.2.1 Persons with new jobs/employment opportunities				COI surveys	Baseline, mid-term and completion	Outsourced COI survey	Existence of right macroeconomic and climactic conditions; The promotion of enterprises in the fishing sector leads to job creation; The project responds to the target group needs.
	Males	0	2000	4000				
	Females	0	2000	4000				
	Young	0	1600	3200				
	Total number of persons with new jobs/employment opportunities	0	4000	8000				
	IE.2.1 Individuals demonstrating an improvement in empowerment				COI surveys	Baseline, mid-term and completion	Outsourced COI survey	
	Total persons	0	32	64				
	Total persons	0	29250	58500				
	Females	0	35	70				
	Females	0	15750	31500				
	Males	0	30	60				
	Males	0	13500	27000				
	SF.2.1 Households satisfied with project-supported services				COI surveys	Baseline, mid-term and completion	Outsourced COI survey	
	Household members	0	68800	137600				
	Non-indigenous households							
	Non-women-headed households							
	Households (%)	0	40	80				
Households (number)	0	16000	32000					

Results Hierarchy	Indicators				Means of Verification			Assumptions
	Name	Baseline	Mid-Term	End Target	Source	Frequency	Responsibility	
	SF.2.2 Households reporting they can influence decision-making of local authorities and project-supported service providers				COI surveys	Baseline, mid-term and completion	Outsourced COI survey	
	Household members	0	60200	120400				
	Non-indigenous households							
	Non-women-headed households							
	Households (%)	0	35	70				
	Households (number)	0	14000	28000				
	1.2.8 Women reporting minimum dietary diversity (MDDW)				COI surveys	Baseline, mid-term and completion	Outsourced COI survey	
	Women (%)	0	41	83				
	Women (number)	0	5000	10000				
	Households (%)	0	41	83				
	Households (number)	0	5000	10000				
	Household members	0	21500	43000				
	Non-indigenous							
	Women-headed households	0	1000	2000				
	Non-women-headed households							
	1.2.9 Households with improved nutrition Knowledge Attitudes and Practices (KAP)							
	Non-indigenous households							
	Women-headed households	0	1200	1920				
	Non-women-headed households							
	Households (number)	0	6000	9600				



Results Hierarchy	Indicators				Means of Verification			Assumptions
	Name	Baseline	Mid-Term	End Target	Source	Frequency	Responsibility	
	Households (%)	0	15	24				
	Household members	0	25800	41280				
<b>Outcome</b> Outcome 1: Increased resilience of Artisanal Fisheries	3.2.2 Households reporting adoption of environmentally sustainable and climate-resilient technologies and practices				COI surveys	Baseline, mid-line, completion	Outsourced COI survey	Economic and weather conditions remain favourable. The technologies and practices promoted by the project are suited for the target areas and the target group.
	Total number of household members	0	51600	103200				
	Households	0	30	60				
	Households	0	12000	24000				
	3.2.1 Tons of Greenhouse gas emissions (tCO2e) avoided and/or sequestered				COI surveys	Baseline and endline survey	Outsourced COI survey	
	Hectares of land		4000	8000				
	tCO2e/20 years			508256				
	tCO2e/ha			-363				
	tCO2e/ha/year			-18.2				
	1.2.4 Households reporting an increase in production				COI surveys	Baseline, mid-line, completion	Outsourced COI survey	
	Total number of household members	0	60200	120400				
	Households	0	35	70				
	Households	0	14000	28000				
<b>Output</b> Output 1.1.Effective fisheries management promoted	1.1.4 Persons trained in production practices and/or technologies				Primary data collected through the project M&E system	Annual	PCU	Existing CCPs are interested in and able to increase their role, and new CCPs can be created where they do not exist.
	Total number of attendances to training sessions	0	15500	30000				
	Men trained in fishery	0	11000	21000				
	Women trained in fishery	0	4500	9000				
	Young people trained in fishery	0	6000	12000				

Results Hierarchy	Indicators				Means of Verification			Assumptions
	Name	Baseline	Mid-Term	End Target	Source	Frequency	Responsibility	
	Total persons trained in fishery	0	15500	30000				
<b>Output</b> Output 1.2 Rehabilitated coastal habitat increased	3.1.1 Groups supported to sustainably manage natural resources and climate-related risks				Primary data collected through the project M&E system	Annual	PCU	Target group actively participates in training activities; the new technologies promoted by the project respond to artisanal fishermen's needs.
	Total size of groups	0	1200	2400				
	Groups supported	0	120	240				
	Males	0	800	1680				
	Females	0	400	720				
	Young	0	450	960				
	Number of CCPs led by women				Primary data collected through the project M&E system	Annual	PCU	
Percentage of groups	0	10	20					
<b>Outcome</b> Outcome 2: Improved economic resilience and profitability of artisanal fisheries and local livelihoods	Increase in volume and value of fish traded from the artisanal fisheries				Open Art Fish platform	Annual	ADNAP	Economic and weather conditions remain favourable, infrastructure activities carried out by the project are implemented as planned.
	Total annual volume in targeted districts	231495	290000	329949				
	Total annual volume in targeted districts	260200380	350000000	469517427				
	2.2.2 Supported rural enterprises reporting an increase in profit				COI survey, Primary data collected through the project M&E system	Baseline, mid & end line	PCU and outsourced COI survey	
	Number of enterprises	0	430	860				
	Percentage of enterprises	0	40	80				
	Number of persons benefitting from rehabilitated feeder roads				Primary data collected through the project M&E system and population census	Annual	PCU	
Number of persons	0	16000	32500					

Results Hierarchy	Indicators				Means of Verification			Assumptions
	Name	Baseline	Mid-Term	End Target	Source	Frequency	Responsibility	
<b>Output</b> Output 2.1: Sustainable fisheries enterprises and alternative livelihoods developed	2.1.1 Rural enterprises accessing business development services				Primary data collected through the project M&E system	Annual	PCU	Enterprises in the fisheries sector are willing to form 4Ps and to engage with project activities. The target group - especially youth and women - are interested in and capable of engaging more in the fish value chain
	Rural enterprises	0	500	1080				
	2.1.2 Persons trained in income-generating activities or business management				Primary data collected through the project M&E system	Annual	PCU	
	Males	0	2500	5000				
	Females	0	2500	5000				
	Young	0	1000	2000				
	Persons trained in IGAs or BM (total)	0	5000	10000				
	1.1.7 Persons in rural areas trained in financial literacy and/or use of financial products and services				Primary data collected through the project M&E system	Annual	PCU	
	Males	0	3600	7200				
	Females	0	8400	16800				
	Young	0	4800	9600				
	Persons in rural areas trained in FL and/or use of FProd and Services (total)	0	12000	24000				
	Number of PCRs who received credit from a finance institution				Primary data collected through the project M&E system	Annual	PCU	
	Number of PCRs	0	60	120				
	1.1.8 Households provided with targeted support to improve their nutrition				Primary data collected through the project M&E system	Annual	PCU	
	Total persons participating	0	6000	12000				
	Males	0	0	0				
Females	0	6000	12000					

Results Hierarchy	Indicators				Means of Verification			Assumptions
	Name	Baseline	Mid-Term	End Target	Source	Frequency	Responsibility	
	Households	0	6000	12000				
	Household members benefitted	0	25800	51600				
	Young	0	2400	4800				
	Women-headed households		1200	2400				
<b>Output</b> Output 2.2: Resilient fisheries value chain infrastructure established	2.1.5 Roads constructed, rehabilitated or upgraded				Primary data collected through the project M&E system	Annual	PCU	Economic and weather conditions remain favourable
	Length of roads	0	100	360				
	Number of management agreements established and operating				Primary data collected through the project M&E system	Annual	PCU	
	Number	0	8	14				
	2.1.6 Market, processing or storage facilities constructed or rehabilitated				Primary data collected through the project M&E system	Annual	PCU	
	Total number of facilities	0	13	26				
	Market facilities constructed/rehabilitated	0	5	12				
	Processing facilities constructed/rehabilitated	0	3	4				
	Storage facilities constructed/rehabilitated	0	5	10				
	<b>Outcome</b> Outcome 3: Institutional strengthening, project management and policy initiatives	Policy 3 Existing/new laws, regulations, policies or strategies proposed to policy makers for approval, ratification or amendment				Primary data collected through the project M&E system	Annual	
Number		0	1	2				

Results Hierarchy	Indicators				Means of Verification			Assumptions
	Name	Baseline	Mid-Term	End Target	Source	Frequency	Responsibility	
<b>Output</b> Output 3.1 Strengthened fisheries institutions and extension services	Policy 1 Policy-relevant knowledge products completed				Primary data collected through the project M&E system	Annual	PMU	Knowledge management activities are demand-driven and closely linked to the project's policy-engagement objectives
	Number	0	1	2				

## **Mozambique**

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### **Artisanal Fisheries Resilient Development Project**

### **Project Design Report**

### **Annex 2: Theory of change**

Mission Dates: 22 May – 09 June

Document Date: 25/10/2023

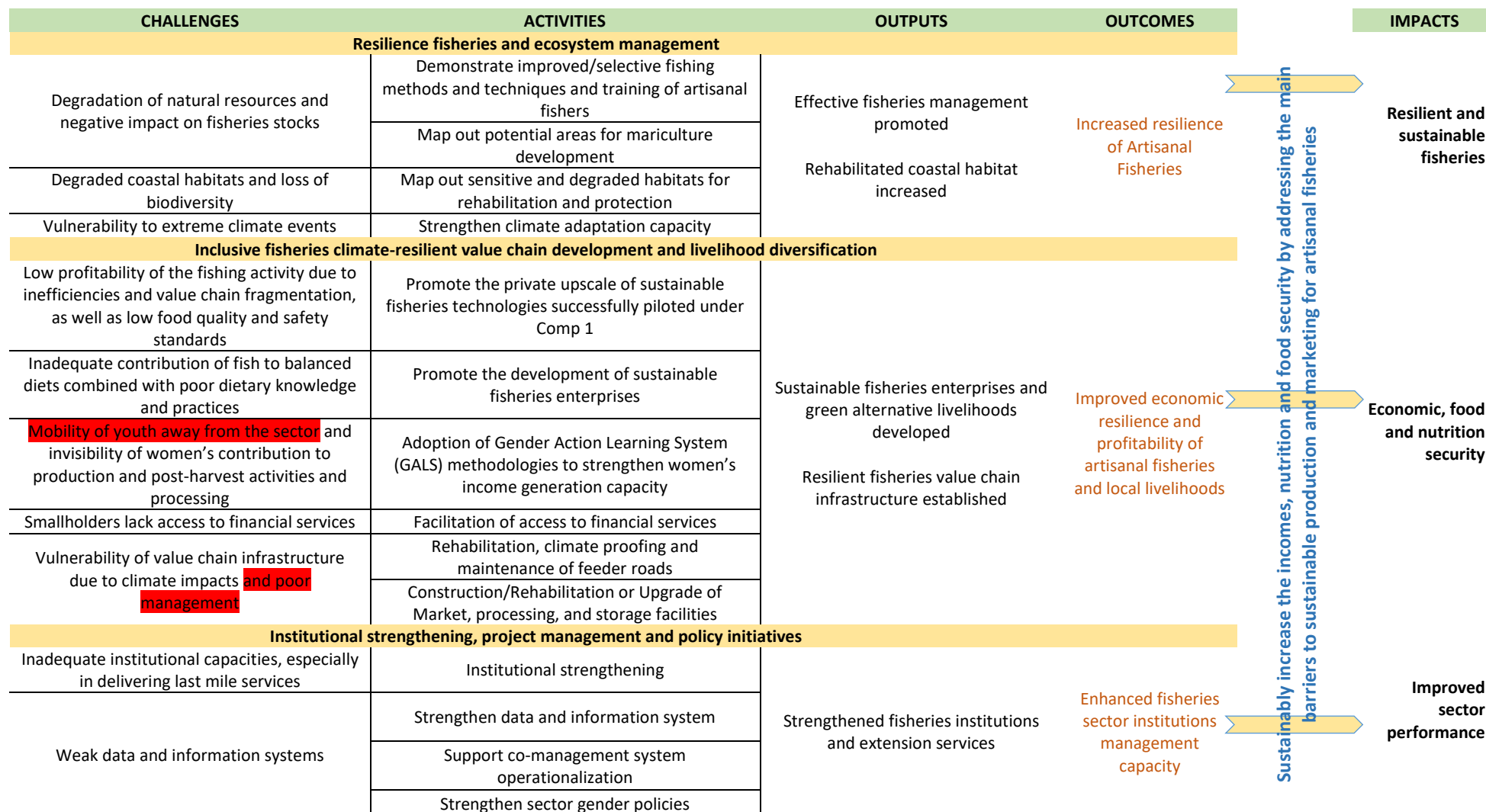
Project No. 2000004008

Report No. 6599-MZ

East and Southern Africa Division  
Programme Management Department



## Annex 2: Theory of Change





## **Mozambique**

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### **Artisanal Fisheries Resilient Development Project**

#### **Project Design Report**

#### **Annex 3: Project cost and financing: Detailed costs tables**

Mission Dates: 22 May – 09 June

Document Date: 25/10/2023

Project No. 2000004008

Report No. 6599-MZ

East and Southern Africa Division  
Programme Management Department



## Annex 3: Project Costs and Financing

### Introduction

1. This annex provides information on the assumptions made to estimate Project costs and presents the actual Project costs of PROPEIXE as well as the financing plan, prepared using the COSTAB software.
2. The summary tables of the total costs of the Project are available in the PDR. The detailed costs tables per component are available in Annex 3, where each table includes: (i) the quantities, unit costs (in US\$) and base costs (in US\$); and (ii) the total costs including contingencies (in US\$).

#### I. Methods and Assumptions

##### A. Summary of the Project and Background

3. The PROPEIXE goal is to “sustainably increase the incomes, nutrition and food security by addressing the main barriers to sustainable production and marketing for artisanal fisheries”. The Project Development Objective (PDO) is to “increase the sustainability of fishery value chain returns, by promoting responsible fisheries, community conservation and restoration of ecosystems and biodiversity, while also supporting fishery community resilience<sup>1</sup> through diversification of livelihoods”.
4. The project development objective will be achieved through the effective implementation of three interlinked components: **Component 1:** Resilient artisanal fisheries and ecosystem management; **Component 2:** Inclusive fisheries climate resilient value chain development and livelihood diversification; **Component 3:** Institutional strengthening, project management and policy initiatives; and **Component 4:** Crisis and Disaster Risk Reduction.
5. The project costs are estimated at US\$63.3 million, including base costs of US\$62.0 million and estimated price and physical contingencies of (US\$1.3 million). Investment costs have been estimated at US\$57.6 million, with recurrent costs at US\$4.4 million.
6. PROPEIXE will be financed as follows: IFAD financing US\$29.3 million (46 per cent of the total project costs); Co-financing from Global Environment Facility (GEF), US\$8.9 million<sup>2</sup>; and Private Sector, estimated at US\$5.4 million. Potential parallel financing from the Government of Norway is estimated at US\$3 million, and Domestic financing from the Government of Mozambique and Beneficiary contribution, estimated at US\$5.6 million. The project has been designed with a financing gap of US\$11.06 million (18 per cent of the total costs) which will be covered by potential co-financing institutions.

##### B. Project Start and Duration

7. The cost of the project has been calculated over a 7-year period. The Project start would be during second quarter of 2024<sup>3</sup>.

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<sup>1</sup>Resilience also includes climate resilience

<sup>2</sup>A draft PIF has been developed and will be submitted to GEF secretariat in October 2023 for consideration

<sup>3</sup>Fiscal year in Mozambique is January-December

## C. Price Contingencies

- Price contingency allowances reflect expected increases in Project costs due to changes in unit prices for the various resources that the Project will require. They are taken into account by the COSTAB software in the calculation of the total costs of the Project. Price contingencies include the impact of expected inflation and alterations in the exchange rate.

## D. Expenditure Accounts

- Physical contingency allowances reflect expected increases in the base cost estimates due to changes in quantities and/or methods of implementation. They are used in the case of Projects in which investments are not precisely identified. In the case of PROPEIXE, costs have been fairly estimated based on recent projects and physical contingencies are mainly applied to small infrastructure and blue economy projects.
- The foreign exchange percentage of the total costs is calculated applying to each expenditure category a foreign exchange rate. The Project will be exempted from duties and taxes, and the Government contribution will be in-kind. Overall the Government contribution will be US\$ 3.4 million or 5.0 % of total Project costs.
- Base costs for goods and services purchased locally are based on local sales prices (market prices), including all duties and domestic taxes, as they are real costs for the Project.

## II. Project Costs

### A. Total Costs

- The total PROPEIXE incremental investment and recurrent costs, including price and physical contingencies over a seven years implementation period are estimated at US\$63.3 million, for a Seven-year period, to be financed as follows:

Table 1: PROPEIXE Financing

Financiers	US\$ million
IFAD DSF Grant	29.33
GEF	8.9
Financing Gap	11.068
Government	3.40
NORAD	3.00
Beneficiaries	2.20
Private Sector	5.47
TOTAL	63.38

### B. Project Costs by Component

- Out of the overall project costs, component 2: Inclusive fisheries climate resilient value chain development and livelihood diversification has been allocated the biggest percentage of 51, equivalent to US\$ 32.3 million. This is followed by component 1: Resilient Artisanal Fisheries and Ecosystem Management which has accounted for 30 per cent, equivalent to US\$18.8 million. The remaining 19 per cent equivalent to US\$12 million has been allocated to component 3: Institutional Strengthening, Project Management and Policy. The Component 4: Crisis and

Disaster Risk Reduction budget will be reallocated from the unallocated category in case of a declared emergency.

**Table 2: Summary of costs by components & sub-components: base costs & contingencies**

Republic of Mozambique  
Artisanal Fisheries Resilient Development Project (PROPEIXE)  
Components Project Cost Summary

	(MZN '000)			(US\$ '000)			% Foreign Exchange	% Total Base Costs
	Local	Foreign	Total	Local	Foreign	Total		
A. Resilient Artisanal Fisheries and Ecosystem Management	1 051 959	116 884	1 168 843	16 632	1 848	18 480	10	30
<b>B. Inclusive Fisheries Value Chain Development and Livelihood Diversification</b>								
Entrepreneurship and Livelihoods Development	633 831	70 426	704 257	10 021	1 113	11 135	10	18
Value Chain Driven, and Climate Resilient Infrastructure Development	1 166 792	129 644	1 296 435	18 447	2 050	20 497	10	33
<b>Subtotal</b>	1 800 623	200 069	2 000 692	28 468	3 163	31 632	10	51
<b>C. Institutional Strengthening, Project Management and Policy</b>								
Institutional Strengthening and Policy Support	338 077	37 564	375 641	5 345	594	5 939	10	10
Project Coordination and Implementation Support	343 588	38 176	381 764	5 432	604	6 036	10	10
<b>Subtotal</b>	681 665	75 741	757 405	10 777	1 197	11 975	10	19
D. Crisis and Disaster Risk Reduction	-	-	-	-	-	-	-	-
<b>Total BASELINE COSTS</b>	3 534 246	392 694	3 926 940	55 877	6 209	62 086	10	100
Physical Contingencies	30 268	3 363	33 631	479	53	532	10	1
Price Contingencies	207 785	23 087	230 872	686	76	763	10	1
<b>Total PROJECT COSTS</b>	3 772 299	419 144	4 191 444	57 042	6 338	63 380	10	102

### III. Proposed Financing

14. PROPEIXE will be financed as follows: IFAD financing is projected at US\$29.3 million (46 per cent of the total project costs); Global Environment Facility (GEF): US\$8.9 million (a draft PIF has been developed and will be submitted to GEF secretariat in October 2023 for consideration); Private Sector: US\$5.4 million. Potential parallel financing from the Government of Norway is estimated at US\$3 million. Domestic financing from the Government and Beneficiary contribution is estimated at US\$5.6 million (61 per cent & 39 per cent respectively). There is a financing gap of US\$11.06 million equivalent to 18 per cent of the total project costs, which will be covered by potential co-financing institutions.

**Table 2: Total project costs by components & sub-components, and financier.**

Republic of Mozambique  
Artisanal Fisheries Resilient Development Project (PROPEIXE)  
Components by Financiers  
(US\$ '000)

	GoM		IFAD		Private Sector		Beneficiaries		GEF		Financing Gap		NORAD		Total		For. Exch.	Local (Excl. Taxes)
	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%		
A. Resilient Artisanal Fisheries and Ecosystem Management	662	4	5,321	28	-	-	925	5	8,932	47	2,984	16	-	-	18,824	30	1,882	16,942
<b>B. Inclusive Fisheries Value Chain Development and Livelihood Diversification</b>																		
Entrepreneurship and Livelihoods Development	576	5	8,337	73	2,536	22	-	-	-	-	-	-	-	-	11,449	18	1,145	10,304
Value Chain Driven, and Climate Resilient Infrastructure Development	1,374	7	5,662	27	2,941	14	1,275	6	-	-	8,084	39	1,525	7	20,861	33	2,086	18,775
<b>Subtotal</b>	1,950	6	13,999	43	5,477	17	1,275	4	-	-	8,084	25	1,525	5	32,310	51	3,231	29,079
<b>C. Institutional Strengthening, Project Management and Policy</b>																		
Institutional Strengthening and Policy Support	413	7	4,192	69	-	-	-	-	-	-	1,475	24	-	-	6,080	10	608	5,472
Project Coordination and Implementation Support	379	6	5,787	94	-	-	-	-	-	-	-	-	-	-	6,166	10	617	5,550
<b>Subtotal</b>	792	7	9,979	82	-	-	-	-	-	-	1,475	12	-	-	12,246	19	1,225	11,022
D. Crisis and Disaster Risk Reduction	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total PROJECT COSTS</b>	3,403	5	29,300	46	5,477	9	2,200	4	8,932	14	11,068	18	3,000	5	63,380	100	6,338	57,042

## IV. IFAD Financing

15. IFAD financing of US\$ 29.3 million (46% of total project costs) will be spread among the three components and the various activities. The component 2 – Inclusive Fisheries Value Chain Development and Livelihood Diversification, consumes 48% of the total financing (US\$ 13.99 million), followed by component 3 – Institutional Strengthening, Project Management and Policy, with 34% (US\$ 9.97 million) and component 1 – Resilient Artisanal Fisheries and Ecosystem Management with 18% (US\$ 5.3 million).

**Table 3: Components by IFAD**

(US\$ '000)

	IFAD	
	Amount	%
A. Resilient Artisanal Fisheries and Ecosystem Management	5 321	18%
<b>B. Inclusive Fisheries Value Chain Development and Livelihood Diversification</b>		
Entrepreneurship and Livelihoods Development	8 337	28%
Value Chain Driven, and Climate Resilient Infrastructure Development	5 662	19%
<b>Subtotal</b>	<b>13 999</b>	<b>48%</b>
<b>C. Institutional Strengthening, Project Management and Policy</b>		
Institutional Strengthening and Policy Support	4 192	14%
Project Coordination and Implementation Support	5 787	20%
<b>Subtotal</b>	<b>9 979</b>	<b>34%</b>
<b>D. Crisis and Disaster Risk Reduction</b>	-	-
<b>Total PROJECT COSTS</b>	<b>29 300</b>	<b>100%</b>

## V. PROPEIXE Expenditures Accounts

16. The full expenditure accounts by Financier are presented in table 4:

**Table 4: Total project costs by expenditure accounts and financier**

Republic of Mozambique  
Artisanal Fisheries Resilient Development Project (PROPEIXE)  
Expenditure Accounts by Financiers  
(US\$ '000)

	GoM		IFAD		Private Sector		Beneficiaries				NORAD		Total		For. Exch.	Local (Excl. Taxes)		
	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%				
<b>I. Investment Costs</b>																		
A. Civil Works	1,571	6	6,301	22	2,651	9	1,993	7	6,576	23	8,084	28	1,425	5	28,602	45	2,860	25,742
B. Consultancies	770	5	7,636	54	2,825	20	-	-	755	5	995	7	1,227	9	14,209	22	1,421	12,788
C. Equipment and Materials	316	10	1,910	63	-	-	-	-	397	13	413	14	-	-	3,036	5	304	2,733
D. Goods and Inputs	76	6	1,138	94	-	-	-	-	-	-	-	-	-	1,213	2	121	1,092	
E. Services	105	5	1,305	59	-	-	-	-	798	36	-	-	23	1	2,231	4	223	2,008
F. Training and Workshops	408	5	6,040	67	-	-	207	2	405	5	1,577	18	325	4	8,963	14	896	8,066
G. Grants & Subsidies	44	7	577	93	-	-	-	-	-	-	-	-	-	621	1	62	559	
<b>Total Investment Costs</b>	<b>3,290</b>	<b>6</b>	<b>24,907</b>	<b>42</b>	<b>5,477</b>	<b>9</b>	<b>2,200</b>	<b>4</b>	<b>8,932</b>	<b>15</b>	<b>11,068</b>	<b>19</b>	<b>3,000</b>	<b>5</b>	<b>58,874</b>	<b>93</b>	<b>5,887</b>	<b>52,987</b>
<b>II. Recurrent Costs</b>																		
A. Salaries and Allowances	0	-	2,835	100	-	-	-	-	-	-	-	-	-	-	2,835	5	284	2,552
B. Operating Costs	113	7	1,558	93	-	-	-	-	-	-	-	-	-	-	1,671	3	167	1,504
<b>Total Recurrent Costs</b>	<b>113</b>	<b>3</b>	<b>4,393</b>	<b>98</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4,506</b>	<b>7</b>	<b>451</b>	<b>4,055</b>	
<b>Total PROJECT COSTS</b>	<b>3,403</b>	<b>5</b>	<b>29,300</b>	<b>46</b>	<b>5,477</b>	<b>9</b>	<b>2,200</b>	<b>4</b>	<b>8,932</b>	<b>14</b>	<b>11,068</b>	<b>18</b>	<b>3,000</b>	<b>5</b>	<b>63,380</b>	<b>100</b>	<b>6,338</b>	<b>57,042</b>

## **APPENDIX A: Summary Cost Tables**

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Table 1: Components Project Cost Summary

Table 2: Components by Financiers

Table 3: Expenditure Accounts by Financiers

Table 4: Project Components by year

Table 5: Expenditure accounts by year

Table 6: Expenditure Accounts by Components

**Table 1 – Components Project Cost Summary**

Republic of Mozambique

Artisanal Fisheries Resilient Development Project (PROPEIXE)

**Components Project Cost Summary**

	(MZN '000)			(US\$ '000)			% Foreign Exchange	% Total Base Costs
	Local	Foreign	Total	Local	Foreign	Total		
A. Resilient Artisanal Fisheries and Ecosystem Management	1,051,959	116,884	1,168,843	16,632	1,848	18,480	10	30
<b>B. Inclusive Fisheries Value Chain Development and Livelihood Diversification</b>								
Entrepreneurship and Livelihoods Development	633,831	70,426	704,257	10,021	1,113	11,135	10	18
Value Chain Driven, and Climate Resilient Infrastructure Development	1,166,792	129,644	1,296,435	18,447	2,050	20,497	10	33
<b>Subtotal</b>	1,800,623	200,069	2,000,692	28,468	3,163	31,632	10	51
<b>C. Institutional Strengthening, Project Management and Policy</b>								
Institutional Strengthening and Policy Support	338,077	37,564	375,641	5,345	594	5,939	10	10
Project Coordination and Implementation Support	343,588	38,176	381,764	5,432	604	6,036	10	10
<b>Subtotal</b>	681,665	75,741	757,405	10,777	1,197	11,975	10	19
D. Crisis and Disaster Risk Reduction	-	-	-	-	-	-	-	-
<b>Total BASELINE COSTS</b>	3,534,246	392,694	3,926,940	55,877	6,209	62,086	10	100
Physical Contingencies	30,268	3,363	33,631	479	53	532	10	1
Price Contingencies	207,785	23,087	230,872	686	76	763	10	1
<b>Total PROJECT COSTS</b>	3,772,299	419,144	4,191,444	57,042	6,338	63,380	10	102



**Table 2: Components by Financiers**

Republic of Mozambique  
**Artisanal Fisheries Resilient Development Project (PROPEIXE)**  
**Components by Financiers**  
(US\$ '000)

	GoM		IFAD		Private Sector		Beneficiaries In-Kind		GEF		Financing Gap		NORAD		Total		For. Exch.	Local (Excl. Taxes)
	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%		
	A. Resilient Artisanal Fisheries and Ecosystem Management	662	4	5,321	28	-	-	925	5	8,932	47	2,984	16	-	-	18,824		
<b>B. Inclusive Fisheries Value Chain Development and Livelihood Diversification</b>																		
Entrepreneurship and Livelihoods Development	576	5	8,337	73	2,536	22	-	-	-	-	-	-	-	-	11,449	18	1,145	10,304
Value Chain Driven, and Climate Resilient Infrastructure Development	1,374	7	5,662	27	2,941	14	1,275	6	-	-	8,084	39	1,525	7	20,861	33	2,086	18,775
<b>Subtotal</b>	1,950	6	13,999	43	5,477	17	1,275	4	-	-	8,084	25	1,525	5	32,310	51	3,231	29,079
<b>C. Institutional Strengthening, Project Management and Policy</b>																		
Institutional Strengthening and Policy Support	413	7	4,192	69	-	-	-	-	-	-	-	-	1,475	24	6,080	10	608	5,472
Project Coordination and Implementation Support	379	6	5,787	94	-	-	-	-	-	-	-	-	-	-	6,166	10	617	5,550
<b>Subtotal</b>	792	7	9,979	82	-	-	-	-	-	-	-	-	1,475	12	12,246	19	1,225	11,022
D. Crisis and Disaster Risk Reduction	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total PROJECT COSTS</b>	3,403	5	29,300	46	5,477	9	2,200	4	8,932	14	11,068	18	3,000	5	63,380	100	6,338	57,042

**Table 3: Expenditure Accounts by Financiers**

Republic of Mozambique  
**Artisanal Fisheries Resilient Development Project (PROPEIXE)**  
**Expenditure Accounts by Financiers**  
(US\$ '000)

	GoM		IFAD		Private Sector		Beneficiaries In-Kind		GEF		Financing Gap		NORAD		Total		For. Exch.	Local (Excl. Taxes)
	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%		
	<b>I. Investment Costs</b>																	
A. Civil Works	1,571	6	6,301	22	2,651	9	1,993	7	6,576	23	8,084	28	1,425	5	28,602	45	2,860	25,742
B. Consultancies	770	5	7,636	54	2,825	20	-	-	755	5	995	7	1,227	9	14,209	22	1,421	12,788
C. Equipment and Materials	316	10	1,910	63	-	-	-	-	397	13	413	14	-	-	3,036	5	304	2,733
D. Goods and Inputs	76	6	1,138	94	-	-	-	-	-	-	-	-	-	1,213	2	121	1,092	
E. Services	105	5	1,305	59	-	-	-	-	798	36	-	-	23	1	2,231	4	223	2,008
F. Training and Workshops	408	5	6,040	67	-	-	207	2	405	5	1,577	18	325	4	8,963	14	896	8,066
G. Grants & Subsidies	44	7	577	93	-	-	-	-	-	-	-	-	-	621	1	62	559	
<b>Total Investment Costs</b>	3,290	6	24,907	42	5,477	9	2,200	4	8,932	15	11,068	19	3,000	5	58,874	93	5,887	52,987
<b>II. Recurrent Costs</b>																		
A. Salaries and Allowancies	0	-	2,835	100	-	-	-	-	-	-	-	-	-	-	2,835	5	284	2,552
B. Operating Costs	113	7	1,558	93	-	-	-	-	-	-	-	-	-	1,671	3	167	1,504	
<b>Total Recurrent Costs</b>	113	3	4,393	98	-	-	-	-	-	-	-	-	-	4,506	7	451	4,055	
<b>Total PROJECT COSTS</b>	3,403	5	29,300	46	5,477	9	2,200	4	8,932	14	11,068	18	3,000	5	63,380	100	6,338	57,042

**Table 4: Project Components by year**

Republic of Mozambique

Artisanal Fisheries Resilient Development Project (PROPEIXE)

**Project Components by Year -- Totals Including Contingencies**

(US\$ '000)

	Totals Including Contingencies							
	2024	2025	2026	2027	2028	2029	2030	Total
A. Resilient Artisanal Fisheries and Ecosystem Management	776	5 533	5 112	3 755	3 356	177	115	18 824
<b>B. Inclusive Fisheries Value Chain Development and Livelihood Diversification</b>								
Entrepreneurship and Livelihoods Development	816	2 262	2 166	2 278	1 747	1 289	890	11 449
Value Chain Driven, and Climate Resilient Infrastructure Development	578	3 906	5 999	4 459	4 226	1 365	329	20 861
<b>Subtotal</b>	1 394	6 168	8 165	6 737	5 973	2 654	1 219	32 310
<b>C. Institutional Strengthening, Project Management and Policy</b>								
Institutional Strengthening and Policy Support	1 335	1 692	1 730	610	365	222	126	6 080
Project Coordination and Implementation Support	1 653	636	588	818	792	770	909	6 166
<b>Subtotal</b>	2 987	2 328	2 318	1 429	1 157	993	1 034	12 246
D. Crisis and Disaster Risk Reduction	-	-	-	-	-	-	-	-
<b>Total PROJECT COSTS</b>	5 157	14 028	15 596	11 921	10 486	3 823	2 369	63 380

**Table 5: Expenditure accounts by year**

Republic of Mozambique

Artisanal Fisheries Resilient Development Project (PROPEIXE)

**Expenditure Accounts by Years -- Totals Including Contingencies**

(US\$ '000)

	<b>Totals Including Contingencies</b>							<b>Total</b>
	<b>2024</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>	<b>2029</b>	<b>2030</b>	
<b>I. Investment Costs</b>								
A. Civil Works	25	6 377	7 958	6 128	6 534	1 308	272	28 602
B. Consultancies	1 732	3 012	3 835	2 111	1 342	1 208	969	14 209
C. Equipment and Materials	1 103	876	391	428	214	12	12	3 036
D. Goods and Inputs	345	177	178	179	180	119	36	1 213
E. Services	384	599	643	497	88	10	10	2 231
F. Training and Workshops	1 067	2 332	1 934	1 819	1 265	324	222	8 963
G. Grants & Subsidies	-	102	102	103	104	105	105	621
<b>Total Investment Costs</b>	<b>4 657</b>	<b>13 476</b>	<b>15 040</b>	<b>11 264</b>	<b>9 727</b>	<b>3 086</b>	<b>1 625</b>	<b>58 874</b>
<b>II. Recurrent Costs</b>								
A. Salaries and Allow ancies	343	344	346	445	449	453	456	2 835
B. Operating Costs	158	209	210	211	311	285	287	1 671
<b>Total Recurrent Costs</b>	<b>501</b>	<b>553</b>	<b>556</b>	<b>657</b>	<b>760</b>	<b>737</b>	<b>743</b>	<b>4 506</b>
<b>Total PROJECT COSTS</b>	<b>5 157</b>	<b>14 028</b>	<b>15 596</b>	<b>11 921</b>	<b>10 486</b>	<b>3 823</b>	<b>2 369</b>	<b>63 380</b>

**Table 6: Expenditure Accounts by Components**

Republic of Mozambique

Artisanal Fisheries Resilient Development Project (PROPEIXE)

Expenditure Accounts by Components - Totals Including Contingencies

(US\$ '000)

	Inclusive Fisheries Value Chain Development and Livelihood Diversification			Institutional Strengthening, Project Management and Policy		Crisis and Disaster Risk Reduction	Total
	Resilient Artisanal Fisheries and Ecosystem Management	Entrepreneurship and Livelihoods Development	Value Chain Driven, and Climate Resilient Infrastructure Development	Institutional Strengthening and Policy Support	Project Coordination and Implementation Support		
<b>I. Investment Costs</b>							
A. Civil Works	9,529	-	18,997	-	76	-	28,602
B. Consultancies	3,271	6,463	1,641	2,367	467	-	14,209
C. Equipment and Materials	1,235	-	91	792	919	-	3,036
D. Goods and Inputs	250	307	-	656	-	-	1,213
E. Services	1,442	614	-	74	102	-	2,231
F. Training and Workshops	3,098	3,444	132	2,191	97	-	8,963
G. Grants & Subsidies	-	621	-	-	-	-	621
<b>Total Investment Costs</b>	<b>18,824</b>	<b>11,449</b>	<b>20,861</b>	<b>6,080</b>	<b>1,661</b>	-	<b>58,874</b>
<b>II. Recurrent Costs</b>							
A. Salaries and Allowancies	-	-	-	-	2,835	-	2,835
B. Operating Costs	-	-	-	-	1,671	-	1,671
<b>Total Recurrent Costs</b>	-	-	-	-	<b>4,506</b>	-	<b>4,506</b>
<b>Total PROJECT COSTS</b>	<b>18,824</b>	<b>11,449</b>	<b>20,861</b>	<b>6,080</b>	<b>6,166</b>	-	<b>63,380</b>
Taxes	-	-	-	-	-	-	-
Foreign Exchange	1,882	1,145	2,086	608	617	-	6,338

## **Appendix B: Detailed Cost Tables**

### **Component A: Resilient Artisanal Fisheries and Ecosystem Management**

- Table 1: Resilient Artisanal Fisheries and Ecosystem Management
- Quantities and Costs
  - Financing Rule

### **Component B: Inclusive Fisheries Value Chain Development and Livelihood Diversification**

- Table 2: Entrepreneurship and Livelihoods Development
- Quantities and Costs
  - Financing Rule

- Table 3: Value Chain Driven, and Climate Resilient Infrastructure Development
- Quantities and Costs
  - Financing Rule

### **Component C: Institutional Strengthening, Project Management and Policy**

- Table 4: Institutional Strengthening and Policy Support
- Quantities and Costs
  - Financing Rule

- Table 5: Project Coordination and Implementation Support
- Quantities and Costs
  - Financing Rule

**Table 1A: Resilient Artisanal Fisheries and Ecosystem Management – Quantities and Unit Costs**

Republic of Mozambique

Artisanal Fisheries Resilient Development Project (PROPEIXE)

**Table 1.1. Resilient Artisanal Fisheries and Ecosystem Management**

Detailed Costs

(US\$)

	Unit	Quantities							Unit Cost	Totals Including Contingencies ('000)								
		2024	2025	2026	2027	2028	2029	2030		Total	2024	2025	2026	2027	2028	2029	2030	Total
<b>I. Investment Costs</b>																		
<b>A. Resilient artisanal fisheries and ecosystem management</b>																		
Build and equip Meteorological Station to Strengthen Climate Resilience	Number	-	3	3	-	-	-	-	6	137,000	-	413	415	-	-	-	-	829
Disaster Risk Management and Climate Adapted Technologies	Lumpsum	-	5	5	5	-	-	-	15	24,803	-	127	128	129	-	-	-	384
Support use of energy efficient stoves	Number	-	2,000	2,000	3,000	3,000	-	-	10,000	50	-	103	103	156	157	-	-	518
Conduct a Participatory Rural Appraisal (PRA) /a	Study	-	24	-	-	-	-	-	24	2,000	-	49	-	-	-	-	-	49
Conduct participatory identification of high-priority places in need of restoration and protection through ecosystem-based approaches.	Facility	-	24	-	-	-	-	-	24	500	-	12	-	-	-	-	-	12
Develop a nursery for mangrove seedlings in identified localities	Hectare	-	400	500	500	600	-	-	2,000	4,000	-	1,600	2,000	2,000	2,400	-	-	8,000
Planting of mangrove trees in degraded habitats	Study	-	6	6	6	6	-	-	24	85,820	-	545	545	545	545	-	-	2,179
Training of CCPs on fisheries co-management in collaboration with local government, and the National Fisheries Administration (ADNAP	Lumpsum	-	12	12	-	-	-	-	24	5,000	-	62	62	-	-	-	-	123
Capacity building of CCPs on social dynamics, leadership, governance, savings and credit, business plans development & entrepreneurship	Lumpsum	-	12	12	-	-	-	-	24	5,000	-	62	62	-	-	-	-	123
Develop fisheries management plans for each fishing zone and specifically define the roles of the different stakeholders	Plan	-	3	3	-	-	-	-	6	300,000	-	923	928	-	-	-	-	1,851
Conduct fishing trials to demonstrate improved/selective fishing methods, techniques/FADS	Number	20	40	40	40	-	-	-	140	10,000	204	410	412	415	-	-	-	1,442
Provide extension services for local use of evidence-based on data collected by CCPs fisheries management	Ls/District	24	-	-	-	-	-	-	24	10,000	250	-	-	-	-	-	-	250
<b>Subtotal</b>											454	4,305	4,654	3,244	3,102	-	-	15,759
<b>B. Gender Awareness Sessions among CCPs and relevant Associations</b>	Worksheet	21	-	21	-	-	-	-	42	500	11	-	11	-	-	-	-	22
<b>C. Pilot mariculture</b>																		
Survey/mapping of areas with potential for promotion of mariculture (eg: seaweed, mussels) and design program	Report	1	-	-	-	-	-	-	1	30,000	31	-	-	-	-	-	-	31
Procure materials and assemble farming structures	Lumpsum	-	6	6	-	-	-	-	12	2,000	-	12	12	-	-	-	-	25
Carry out trials and assess technical and financial feasibility	Trails	-	6	6	-	-	-	-	12	1,500	-	9	9	-	-	-	-	19
Train technical staff and extension workers on farming techniques	Session	-	3	-	3	-	-	-	6	10,000	-	31	-	31	-	-	-	62
Train and assist fish farmers in the implementation of successful experiments	Number	-	60	60	60	-	-	-	180	750	-	46	46	47	-	-	-	139
<b>Subtotal</b>											31	98	68	78	-	-	-	275
<b>D. Fishing trials and demonstrations</b>																		
Access opportunities and design program	Report	1	-	-	-	-	-	-	1	30,000	31	-	-	-	-	-	-	31
Procure materials/equipment and assemble fishing gear	Unit	-	10	5	5	-	-	-	20	15,000	-	154	77	78	-	-	-	309
Carry out trials and assess feasibility	Trail	-	10	10	10	-	-	-	30	5,000	-	51	52	52	-	-	-	155
Train technical staff and extension workers on improved/new fishing techniques	Session	-	5	-	5	-	-	-	10	10,000	-	51	-	52	-	-	-	103
Train and assist fishermen in the implementation of successful experiments	Number	-	-	100	100	100	-	-	300	750	-	-	77	78	78	-	-	234
<b>Subtotal</b>											31	256	206	259	78	-	-	831
<b>E. FADs and artificial reefs</b>																		
Sites assessment and program design	Report	1	-	-	-	-	-	-	1	137,000	140	-	-	-	-	-	-	140
Construction and deployment of FADS	Structure	-	5	-	-	-	-	-	5	100,000	-	500	-	-	-	-	-	500
Construction and deployment of artificial reefs	Structure	-	10	-	-	-	-	-	10	20,000	-	200	-	-	-	-	-	200
<b>Subtotal</b>											140	700	-	-	-	-	-	840
<b>F. Technical Assistance</b>																		
Provision of technical assistance and monitoring implementation of activities	Lumpsum	-	5	5	5	5	5	-	25	10,000	-	51	52	52	52	53	-	260
Community engagement	Lumpsum	-	1	1	1	1	1	-	5	10,000	-	10	10	10	10	11	-	52
<b>Subtotal</b>											-	62	62	62	63	63	-	312
<b>G. Technical Assistance</b>																		
1. Fisheries Specialist	Per Month	12	12	12	12	12	12	12	84	4,500	55	55	56	56	56	57	57	393
2. Climate Change and Adaptation Specialist	Per Month	12	12	12	12	12	12	12	84	4,500	55	55	56	56	56	57	57	393
<b>Subtotal</b>											110	111	111	112	113	114	115	786
<b>Total</b>											776	5,533	5,112	3,755	3,356	177	115	18,824

**Table 1B: Resilient Artisanal Fisheries and Ecosystem Management – Financing Rule**

Republic of Mozambique

Artisanal Fisheries Resilient Development Project (PROPEIXE)

**Table 1.1. Resilient Artisanal Fisheries and Ecosystem Management**

**Detailed Costs**

(US\$)

**I. Investment Costs**

**A. Resilient artisanal fisheries and ecosystem management**

Build and equip Meteorological Station to Strengthen Climate Resilience  
 Disaster Risk Management and Climate Adapted Technologies  
 Support use of energy efficient stoves  
 Conduct a Participatory Rural Appraisal (PRA) /a  
 Conduct participatory identification of high-priority places in need of restoration and protection through ecosystem-based approaches.  
 Develop a nursery for mangrove seedlings in identified localities  
 Planting of mangrove trees in degraded habitats  
 Training of CCPs on fisheries co-management in collaboration with local government, and the National Fisheries Administration (ADNAP)  
 Capacity building of CCPs on social dynamics, leadership, governance, savings and credit, business plans development & entrepreneurship  
 Develop fisheries management plans for each fishing zone and specifically define the roles of the different stakeholders  
 Conduct fishing trials to demonstrate improved/selective fishing methods, techniques/FADS  
 Provide extension services for local use of evidence-based on data collected by CCPs fisheries management

**Subtotal**

B. Gender Awareness Sessions among CCPs and relevant Associations

**C. Pilot mariculture**

Survey/mapping of areas with potential for promotion of mariculture (eg: seaweed, mussels) and design program  
 Procure materials and assemble farming structures  
 Carry out trials and assess technical and financial feasibility  
 Train technical staff and extension workers on farming techniques  
 Train and assist fish farmers in the implementation of successful experiments

**Subtotal**

**D. Fishing trials and demonstrations**

Access opportunities and design program  
 Procure materials/equipment and assemble fishing gear  
 Carry out trials and assess feasibility  
 Train technical staff and extension workers on improved/new fishing techniques  
 Train and assist fishermen in the implementation of successful experiments

**Subtotal**

**E. FADs and artificial reefs**

Sites assessment and program design  
 Construction and deployment of FADS  
 Construction and deployment of artificial reefs

**Subtotal**

**F. Technical Assistance**

Provision of technical assistance and monitoring implementation of activities  
 Community engagement

**Subtotal**

**G. Technical Assistance**

1. Fisheries Specialist  
 2. Climate Change and Adaptation Specialist

**Subtotal**

**Total**

Fin. Rule	GoM							Total
	2024	2025	2026	2027	2028	2029	2030	
IFAD ( 100% FOR 2, 0% FOR 5 ), GEF ( 0% FOR 2, 100% FOR 5 )	-	15	15	-	-	-	-	29
IFAD ( 100% FOR 2, 0% FOR 5 ), GEF ( 0% FOR 2, 100% FOR 5 )	-	4	4	5	-	-	-	13
IFAD ( 100% FOR 2, 0% FOR 5 ), GEF ( 0% FOR 2, 100% FOR 5 )	-	4	4	5	6	-	-	18
IFAD ( 100% FOR 2, 0% FOR 5 ), GEF ( 0% FOR 2, 100% FOR 5 )	-	2	-	-	-	-	-	2
IFAD ( 100% )	-	0	-	-	-	-	-	0
IFAD ( 100% FOR 2, 0% FOR 5 ), GEF ( 0% FOR 2, 100% FOR 5 ), BENEFICIARIES ( 45% FOR 2, 0% FOR 5 ), GEF ( 0% FOR 2, 100% FOR 5 ), BENEFICIARIES ( 45% FOR 2, 0% FOR 5 )	-	56	70	70	84	-	-	281
IFAD ( 100% )	-	19	19	19	19	-	-	77
IFAD ( 100% )	-	2	2	-	-	-	-	4
IFAD ( 100% )	-	2	2	-	-	-	-	4
IFAD ( 100% FOR 2, 0% FOR 5 ), GEF ( 0% FOR 2, 100% FOR 5 )	-	32	33	-	-	-	-	65
IFAD ( 100% FOR 2, 0% FOR 5 ), GEF ( 0% FOR 2, 100% FOR 5 )	7	14	14	15	-	-	-	51
IFAD ( 100% FOR 2, 0% FOR 5 ), GEF ( 0% FOR 2, 100% FOR 5 )	9	-	-	-	-	-	-	9
<b>Subtotal</b>	16	151	163	114	109	-	-	553
IFAD ( 100% )	0	-	0	-	-	-	-	1
IFAD ( 100% FOR 2, 0% FOR 5 ), GEF ( 0% FOR 2, 100% FOR 5 )	1	-	-	-	-	-	-	1
IFAD ( 100% FOR 2, 0% FOR 5 ), GEF ( 0% FOR 2, 100% FOR 5 )	-	0	0	-	-	-	-	1
IFAD ( 100% FOR 2, 0% FOR 5 ), GEF ( 0% FOR 2, 100% FOR 5 )	-	0	0	-	-	-	-	1
IFAD ( 100% )	-	1	-	1	-	-	-	2
IFAD ( 100% FOR 2, 0% FOR 5 ), GEF ( 0% FOR 2, 100% FOR 5 )	-	2	2	2	-	-	-	5
<b>Subtotal</b>	1	3	2	3	-	-	-	10
IFAD ( 100% FOR 2, 0% FOR 5 ), GEF ( 0% FOR 2, 100% FOR 5 )	1	-	-	-	-	-	-	1
IFAD ( 100% FOR 2, 0% FOR 5 ), GEF ( 0% FOR 2, 100% FOR 5 )	-	5	3	3	-	-	-	11
IFAD ( 100% FOR 2, 0% FOR 5 ), GEF ( 0% FOR 2, 100% FOR 5 )	-	2	2	2	-	-	-	5
IFAD ( 100% FOR 2, 0% FOR 5 ), GEF ( 0% FOR 2, 100% FOR 5 )	-	2	-	2	-	-	-	4
IFAD ( 100% FOR 2, 0% FOR 5 ), GEF ( 0% FOR 2, 100% FOR 5 )	-	-	3	3	3	-	-	8
<b>Subtotal</b>	1	9	7	9	3	-	-	29
IFAD ( 100% FOR 2, 0% FOR 5 ), GEF ( 0% FOR 2, 100% FOR 5 )	5	-	-	-	-	-	-	5
IFAD ( 100% FOR 2, 0% FOR 5 ), GEF ( 0% FOR 2, 100% FOR 5 )	-	18	-	-	-	-	-	18
IFAD ( 100% FOR 2, 0% FOR 5 ), GEF ( 0% FOR 2, 100% FOR 5 )	-	7	-	-	-	-	-	7
<b>Subtotal</b>	5	25	-	-	-	-	-	29
IFAD ( 100% FOR 2, 0% FOR 5 ), GEF ( 0% FOR 2, 100% FOR 5 )	-	2	2	2	2	2	-	9
IFAD ( 100% FOR 2, 0% FOR 5 ), GEF ( 0% FOR 2, 100% FOR 5 )	-	0	0	0	0	0	-	2
<b>Subtotal</b>	-	2	2	2	2	2	-	11
IFAD ( 100% FOR 2, 0% FOR 5 ), GEF ( 0% FOR 2, 100% FOR 5 )	2	2	2	2	2	2	2	14
IFAD ( 100% FOR 2, 0% FOR 5 ), GEF ( 0% FOR 2, 100% FOR 5 )	2	2	2	2	2	2	2	14
<b>Subtotal</b>	4	4	4	4	4	4	4	28
<b>Total</b>	27	194	180	132	118	6	4	661

## Continued

Republic of Mozambique  
Artisanal Fisheries Resilient Development Project (PROPEIXE)  
Table 1.1. Resilient Artisanal Fisheries and Ecosystem Management

**Detailed Costs**  
(US\$)

	Expenditures by Financiers ('000)																																			
	IFAD							Beneficiaries							GEF							Financing Gap														
	2024	2025	2026	2027	2028	2029	2030	2024	2025	2026	2027	2028	2029	2030	Total	2024	2025	2026	2027	2028	2029	2030	Total	2024	2025	2026	2027	2028	2029	2030	Total					
<b>I. Investment Costs</b>																																				
<b>A. Resilient artisanal fisheries and ecosystem management</b>																																				
Build and equip Meteorological Station to Strengthen Climate Resilience	-	399	-	-	-	-	-	399	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Disaster Risk Management and Climate Adapted Technologies	-	123	-	-	-	-	-	123	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Support use of energy efficient stoves	-	99	-	-	-	-	-	99	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Conduct a Participatory Rural Appraisal (PRA) (a)	-	47	-	-	-	-	-	47	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Conduct participatory identification of high-priority places in need of restoration and protection through	-	12	-	-	-	-	-	12	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Develop a nursery for mangrove seedlings in identified localities	-	845	-	-	-	-	-	845	-	718	-	-	-	-	718	-	-	-	-	-	-	-	-	-	-	-	-	-	-	6,175	-	-	-	-	-	-
Planting of mangrove trees in degraded habitats	-	298	-	-	-	-	-	298	-	207	-	-	-	-	207	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Training of CCPs on fisheries co-management in collaboration with local government, and the National	-	59	60	-	-	-	-	119	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Capacity building of CCPs on social dynamics, leadership, governance, savings and credit, business p	-	59	60	-	-	-	-	119	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Develop fisheries management plans for each fishing zone and specifically define the roles of the diffe	-	891	-	-	-	-	-	891	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Conduct fishing trials to demonstrate improved/selective fishing methods, techniques/FADs	197	396	-	-	-	-	-	593	-	-	-	-	-	-	-	-	-	398	400	-	-	-	-	-	-	-	-	-	-	798	-	-	-	-	-	-
Provide extension services for local use of evidence-based on data collected by CCPs fisheries manag	241	-	-	-	-	-	-	241	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Subtotal</b>	438	3,229	119	-	-	-	-	3,786	-	925	-	-	-	-	925	-	-	2,852	2,454	2,316	-	-	-	-	-	-	-	-	-	7,622	-	-	-	-	-	-
<b>B. Gender Awareness Sessions among CCPs and relevant Associations</b>	10	-	10	-	-	-	-	21	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>C. Pilot mariculture</b>																																				
Survey/mapping of areas with potential for promotion of mariculture (eg: seaweed, mussels) and desig	30	-	-	-	-	-	-	30	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Procure materials and assemble farming structures	-	12	-	-	-	-	-	12	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Carry out trials and assess technical and financial feasibility	-	9	-	-	-	-	-	9	-	-	-	-	-	-	-	-	-	9	-	-	-	-	-	-	-	-	-	-	-	9	-	-	-	-	-	-
Train technical staff and extension workers on farming techniques	-	30	-	30	-	-	-	60	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Train and assist fish farmers in the implementation of successful experiments	-	45	-	-	-	-	-	45	-	-	-	-	-	-	-	-	-	45	45	-	-	-	-	-	-	-	-	-	-	90	-	-	-	-	-	-
<b>Subtotal</b>	30	95	-	30	-	-	-	155	-	-	-	-	-	-	-	-	-	54	45	-	-	-	-	-	-	-	-	-	-	99	-	-	-	-	-	-
<b>D. Fishing trials and demonstrations</b>																																				
Access opportunities and design program	30	-	-	-	-	-	-	30	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Procure materials/equipment and assemble fishing gear	-	148	-	-	-	-	-	148	-	-	-	-	-	-	-	-	-	75	75	-	-	-	-	-	-	-	-	-	-	150	-	-	-	-	-	-
Carry out trials and assess feasibility	-	49	-	-	-	-	-	49	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Train technical staff and extension workers on improved/new fishing techniques	-	49	-	-	-	-	-	49	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	50	-	-	-	-	-	-
Train and assist fishermen in the implementation of successful experiments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	75	75	76	-	-	-	-	-	-	-	-	-	225	-	-	-	-	-	-
<b>Subtotal</b>	30	247	-	-	-	-	-	277	-	-	-	-	-	-	-	-	-	149	200	76	-	-	-	-	-	-	-	-	-	425	-	-	-	-	-	-
<b>E. FADs and artificial reefs</b>																																				
Sites assessment and program design	135	-	-	-	-	-	-	135	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Construction and deployment of FADS	-	482	-	-	-	-	-	482	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Construction and deployment of artificial reefs	-	193	-	-	-	-	-	193	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Subtotal</b>	135	675	-	-	-	-	-	810	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>F. Technical Assistance</b>																																				
Provision of technical assistance and monitoring implementation of activities	-	49	-	-	-	-	-	49	-	-	-	-	-	-	-	-	-	50	50	50	51	-	201	-	-	-	-	-	-	-	-	-	-	-	-	-
Community engagement	-	10	-	-	-	-	-	10	-	-	-	-	-	-	-	-	-	10	10	10	10	-	40	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Subtotal</b>	-	59	-	-	-	-	-	59	-	-	-	-	-	-	-	-	-	60	60	61	61	-	241	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>G. Technical Assistance</b>																																				
1. Fisheries Specialist	53	53	-	-	-	-	-	107	-	-	-	-	-	-	-	-	-	54	54	54	55	55	273	-	-	-	-	-	-	-	-	-	-	-	-	-
2. Climate Change and Adaptation Specialist	53	53	-	-	-	-	-	107	-	-	-	-	-	-	-	-	-	54	54	54	55	55	273	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Subtotal</b>	106	107	-	-	-	-	-	213	-	-	-	-	-	-	-	-	-	107	108	109	110	111	545	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	749	4,413	130	30	-	-	-	5,321	-	925	-	-	-	-	925	-	-	3,222	2,868	2,561	171	111	8,932	-	-	-	-	-	-	-	-	-	-	-	-	-



**Table 2A: Entrepreneurship and Livelihoods Development – Quantities and Unit Costs**

Republic of Mozambique  
Artisanal Fisheries Resilient Development Project (PROPEIXE)

**Table 2.1. Entrepreneurship and Livelihoods Development**

**Detailed Costs**

(US\$)

	Unit	Quantities								Unit Cost	Totals Including Contingencies ('000)							
		2024	2025	2026	2027	2028	2029	2030	Total		2024	2025	2026	2027	2028	2029	2030	Total
<b>I. Investment Costs</b>																		
<b>A. Training and technical assistance on fishing and fishery related aspects</b>																		
Train boatbuilders on improved/new models and construction techniques	Session	-	2	-	2	-	-	-	4	60,000	-	122	-	124	-	-	-	246
Provide technical support for the uptake of proven mariculture pilot initiatives	Session	-	-	3	3	3	3	3	15	10,000	-	-	31	31	31	31	32	156
Assist uptake of proven improved/new fishing methods and techniques	Lumpsum	-	-	5	5	5	5	5	25	15,000	-	-	77	77	78	78	79	389
<b>Subtotal</b>											-	122	107	232	109	110	111	791
<b>B. Awareness raising and training on fish quality and training on 'best practices' of hygiene and handling and processing</b>																		
Build awareness of consumers on fish quality and nutritional value of fish	Campaign	-	5	5	5	5	5	-	25	10,000	-	51	51	51	52	52	-	258
Train technical staff and extension workers on 'best practices'	Session	-	5	-	5	-	-	-	10	25,000	-	127	-	129	-	-	-	256
Train value chain participants in fish handling and processing techniques and methods and hygiene standards / practices	Number	-	5	5	5	5	5	5	30	10,000	-	51	51	51	52	52	53	310
Train and provide assistance in processing value-added products, including product development (packaging, labelling, branding, etc.)	Number	-	5	5	5	5	5	-	25	7,500	-	38	38	39	39	39	-	193
<b>Subtotal</b>											-	267	141	270	143	144	53	1,017
<b>C. Support to business start-ups and MSMEs</b>																		
Establish a fish market information system	Lumpsum	-	3	1	1	1	1	1	8	12,500	-	38	13	13	13	13	13	103
Carry out capacity assessment of associations/cooperatives in the artisanal fishery subsector	Contract	1	-	-	-	-	-	-	1	49,000	50	-	-	-	-	-	-	50
Establish and build capacity of group enterprises	Contract	-	1	1	1	1	1	1	6	225,000	-	228	230	231	233	235	237	1,394
Prepare guidelines and provide initial support to the implementation of PPPPs	Contract	-	1	1	1	-	-	-	3	50,000	-	51	51	51	-	-	-	153
Provision of business development services /a	Contract	-	1	1	1	1	1	1	6	225,000	-	228	230	231	233	235	237	1,394
Hire other consultancy services (e.g market assessments, value chain analysis, etc.)	Lumpsum	-	1	1	1	1	-	-	4	50,000	-	51	51	51	52	-	-	205
<b>Subtotal</b>											50	597	574	578	531	483	487	3,298
<b>D. Provision of financial services</b>																		
Create/Strengthen Savings and Credit (PCRs) groups	Contract	-	5	5	5	5	5	-	25	60,000	-	305	307	309	311	314	-	1,546
Matching grants for disadvantaged groups (Women, Youth, PwD) - Special Funds /a	Lumpsum	-	1	1	1	1	1	1	6	100,000	-	102	102	103	104	105	105	621
<b>Subtotal</b>											-	407	409	412	415	418	105	2,167
<b>E. Technical Assistance</b>																		
Market and Fishery Value Chain Specialist	Per Month	12	12	12	12	12	12	12	84	4,500	54	55	55	55	56	56	57	387
Hiring of services to assist production of training manuals and related materials (brochures, leaflets, etc.)	Lumpsum	-	1	1	1	-	-	-	3	100,000	-	101	102	102	-	-	-	305
Monitoring activities and field support	Lumpsum	-	5	5	5	5	5	5	30	15,000	-	76	76	77	77	78	78	462
<b>Subtotal</b>											54	231	232	234	133	134	135	1,154
<b>F. NUTRITION</b>																		
Update nutrition education training modules, conduct trainings	Modules	1	1	1	1	1	-	-	5	7,000	7	7	7	7	7	-	-	36
Development of nutrition education and SBCC materials and handouts	Lumpsum	150	300	450	150	150	-	-	1,200	500	76	153	230	77	78	-	-	614
Nutrition Sensitization Sessions for vulnerable HHs /b	Session	100	100	100	100	100	-	-	500	1,000	101	102	102	103	104	-	-	512
Nutrition Sensitization for fish value chain actors	Groups	100	100	100	100	100	-	-	500	1,000	101	102	102	103	104	-	-	512
Inputs for Nutrition Sessions for vulnerable HHs	Inputs	300	300	300	300	300	-	-	1,500	200	61	61	61	62	62	-	-	307
Service Provider ( management/implementatation related costs including salary)	Lumpsum	1	1	1	1	1	-	-	5	60,000	61	61	61	62	62	-	-	307
<b>Subtotal</b>											408	485	565	414	417	-	-	2,289
<b>G. GENDER (GALS)</b>																		
Training GALS champions	Worksheet	8	4	4	4	-	-	-	20	30,000	243	122	123	124	-	-	-	612
GALS experts	Per/Days	120	60	30	30	-	-	-	240	500	61	31	15	15	-	-	-	122
<b>Subtotal</b>											304	153	138	139	-	-	-	734
<b>Total</b>											816	2,262	2,166	2,278	1,747	1,289	890	11,449

## Table 2b: Entrepreneurship and Livelihoods Development – Financing Rule

Republic of Mozambique  
Artisanal Fisheries Resilient Development Project (PROPEIXE)

**Table 2.1. Entrepreneurship and Livelihoods Development**

**Detailed Costs**

(US\$)

**I. Investment Costs**

**A. Training and technical assistance on fishing and fishery related aspects**

Train boatbuilders on improved/new models and construction techniques  
Provide technical support for the uptake of proven mariculture pilot initiatives  
Assist uptake of proven improved/new fishing methods and techniques

**Subtotal**

**B. Awareness raising and training on fish quality and training on 'best practices' of hygiene and handling and processing**

Build awareness of consumers on fish quality and nutritional value of fish  
Train technical staff and extension workers on 'best practices'  
Train value chain participants in fish handling and processing techniques and methods and hygiene standards / practices  
Train and provide assistance in processing value-added products, including product development (packaging, labelling, branding, etc.)

**Subtotal**

**C. Support to business start-ups and MSMEs**

Establish a fish market information system  
Carry out capacity assessment of associations/cooperatives in the artisanal fishery subsector  
Establish and build capacity of group enterprises  
Prepare guidelines and provide initial support to the implementation of PPPPs  
Provision of business development services /a  
Hire other consultancy services (e.g market assessments, value chain analysis, etc.)

**Subtotal**

**D. Provision of financial services**

Create/Strengthen Savings and Credit (PCRs) groups  
Matching grants for disadvantaged groups (Women, Youth, PwD) - Special Funds /a

**Subtotal**

**E. Technical Assistance**

Market and Fishery Value Chain Specialist  
Hiring of services to assist production of training manuals and related materials (brochures, leaflets, etc.)  
Monitoring activities and field support

**Subtotal**

**F. NUTRITION**

Update nutrition education training modules, conduct trainings  
Development of nutrition education and SBCC materials and handouts  
Nutrition Sensitization Sessions for vulnerable HHs /b  
Nutrition Sensitization for fish value chain actors  
Inputs for Nutrition Sessions for vulnerable HHs  
Service Provider ( management/implementatation related costs including salary)

**Subtotal**

**G. GENDER (GALS)**

Training GALS champions  
GALS experts

**Subtotal**

**Total**

Fin. Rule	Expenditures by Financiers ('000)																							
	GoM										IFAD						Private Sector							
	2024	2025	2026	2027	2028	2029	2030	Total	2024	2025	2026	2027	2028	2029	2030	Total	2024	2025	2026	2027	2028	2029	2030	Total
IFAD ( 100% )	-	9	-	9	-	-	-	17	-	113	-	115	-	-	-	228	-	-	-	-	-	-	-	-
IFAD ( 100% )	-	-	2	2	2	2	2	11	-	-	29	29	29	29	29	145	-	-	-	-	-	-	-	-
IFAD ( 100% )	-	-	5	5	6	6	6	28	-	-	71	72	72	73	73	362	-	-	-	-	-	-	-	-
<b>Subtotal</b>	-	9	8	16	8	8	8	56	-	113	100	215	101	102	103	735	-	-	-	-	-	-	-	-
IFAD ( 100% )	-	4	4	4	4	4	-	18	-	47	48	48	48	49	-	239	-	-	-	-	-	-	-	-
IFAD ( 100% )	-	9	-	9	-	-	-	18	-	118	-	120	-	-	-	238	-	-	-	-	-	-	-	-
IFAD ( 100% )	-	4	4	4	4	4	4	22	-	47	48	48	48	49	49	288	-	-	-	-	-	-	-	-
IFAD ( 100% )	-	3	3	3	3	3	-	14	-	35	36	36	36	36	-	180	-	-	-	-	-	-	-	-
<b>Subtotal</b>	-	19	10	19	10	10	4	72	-	248	131	251	133	134	49	945	-	-	-	-	-	-	-	-
PRIVATE_SECTOR ( 100% )	-	3	1	1	1	1	1	7	-	-	-	-	-	-	-	-	-	35	12	12	12	12	12	96
D ( 39% ), PRIVATE_SECTOR ( 5	4	-	-	-	-	-	-	4	21	-	-	-	-	-	-	21	25	-	-	-	-	-	-	25
IFAD ( 100% )	-	16	16	16	17	17	17	99	-	212	213	215	216	218	220	1,295	-	-	-	-	-	-	-	-
PRIVATE_SECTOR ( 100% )	-	4	4	4	-	-	-	11	-	-	-	-	-	-	-	-	-	47	47	48	-	-	-	142
PRIVATE_SECTOR ( 100% )	-	16	16	16	17	17	17	99	-	-	-	-	-	-	-	-	-	212	213	215	216	218	220	1,295
PRIVATE_SECTOR ( 100% )	-	4	4	4	4	-	-	15	-	-	-	-	-	-	-	-	-	47	47	48	48	-	-	190
<b>Subtotal</b>	4	42	41	41	38	34	35	234	21	212	213	215	216	218	220	1,316	25	342	320	322	277	230	232	1,748
IFAD ( 100% )	-	22	22	22	22	22	-	110	-	284	285	287	289	292	-	1,436	-	-	-	-	-	-	-	-
IFAD ( 100% )	-	7	7	7	7	7	7	44	-	95	95	96	96	97	98	577	-	-	-	-	-	-	-	-
<b>Subtotal</b>	-	29	29	29	29	30	7	154	-	378	380	383	386	389	98	2,013	-	-	-	-	-	-	-	-
PRIVATE_SECTOR ( 100% )	4	4	4	4	4	4	4	27	-	-	-	-	-	-	-	-	50	51	51	51	52	52	53	360
IFAD ( 100% )	-	7	7	7	-	-	-	22	-	94	94	95	-	-	-	283	-	-	-	-	-	-	-	-
PRIVATE_SECTOR ( 100% )	-	5	5	5	5	6	6	33	-	-	-	-	-	-	-	-	-	70	71	71	72	72	73	429
<b>Subtotal</b>	4	16	17	17	9	10	10	82	-	94	94	95	-	-	-	283	50	121	122	122	123	124	125	789
IFAD ( 100% )	1	1	1	1	1	-	-	3	7	7	7	7	7	7	-	33	-	-	-	-	-	-	-	-
IFAD ( 100% )	5	11	16	5	6	-	-	44	71	142	214	72	72	-	-	570	-	-	-	-	-	-	-	-
IFAD ( 100% )	7	7	7	7	7	-	-	36	94	95	95	96	96	-	-	476	-	-	-	-	-	-	-	-
IFAD ( 100% )	7	7	7	7	7	-	-	36	94	95	95	96	96	-	-	476	-	-	-	-	-	-	-	-
IFAD ( 100% )	4	4	4	4	4	-	-	22	57	57	57	57	58	-	-	285	-	-	-	-	-	-	-	-
IFAD ( 100% )	4	4	4	4	4	-	-	22	57	57	57	57	58	-	-	285	-	-	-	-	-	-	-	-
<b>Subtotal</b>	29	34	40	29	30	-	-	162	379	451	525	384	388	-	-	2,126	-	-	-	-	-	-	-	-
IFAD ( 100% )	17	9	9	9	-	-	-	43	226	113	114	115	-	-	-	568	-	-	-	-	-	-	-	-
IFAD ( 100% )	4	2	1	1	-	-	-	9	57	28	14	14	-	-	-	113	-	-	-	-	-	-	-	-
<b>Subtotal</b>	22	11	10	10	-	-	-	52	283	142	128	129	-	-	-	682	-	-	-	-	-	-	-	-
<b>Total</b>	58	161	154	162	124	91	63	813	682	1,639	1,571	1,672	1,223	842	470	8,100	75	463	442	444	400	355	357	2,536

**Table 3A: Value Chain Driven, and Climate Resilient Infrastructure Development – Quantities and Unit Costs**

Republic of Mozambique

Artisanal Fisheries Resilient Development Project (PROPEIXE)

**Table 2.2. Value Chain Driven, and Climate Resilient Infrastructure Development**

**Detailed Costs**

(US\$)

Unit	Quantities								Unit Cost	Totals Including Contingencies ('000)								
	2024	2025	2026	2027	2028	2029	2030	Total		2024	2025	2026	2027	2028	2029	2030	Total	
<b>I. Investment Costs</b>																		
<b>A. Feeder Roads Rehabilitation</b>																		
Survey and Design	Km	90	90	90	90	-	-	-	360	2,000	181	181	182	183	-	-	-	727
Rehabilitation works /a	Km	-	90	90	90	90	-	-	360	27,000	-	2,443	2,455	2,471	2,491	-	-	9,861
Supervision of rehabilitation works	Km	-	90	90	90	90	-	-	360	2,000	-	181	182	183	185	-	-	730
Training of Supervising Engineers at PCU and District Levels /b	Number	25	-	-	-	-	-	-	25	3,000	77	-	-	-	-	-	-	77
<b>Subtotal</b>											257	2,806	2,819	2,838	2,676	-	-	11,395
<b>B. Maintenance of Feeder Roads</b>																		
Periodic maintenance /c	Km	-	-	-	60	60	60	-	180	7,500	-	-	-	460	464	467	-	1,391
Routine maintenance /d	Km	-	-	90	150	210	270	-	720	1,500	-	-	137	230	325	421	-	1,113
<b>Subtotal</b>											-	-	137	690	788	888	-	2,504
<b>C. Road Maintenance Committees (RMC)</b>																		
Formation/Establishment of RMC /e	RMC	-	12	12	12	12	-	-	48	400	-	5	5	5	5	-	-	20
Training of RMC /f	Session	-	9	9	9	9	-	-	36	1,500	-	14	14	14	14	-	-	56
Supervision of maintenance works /g	Per Month	-	-	12	18	24	30	-	84	500	-	-	6	9	12	15	-	43
Procurement of Equipment/hand tools /h	Kit	-	12	12	12	12	-	-	48	1,000	-	12	12	12	13	-	-	50
Procurement of Motorcycles	Number	10	-	-	-	-	-	-	10	4,000	41	-	-	-	-	-	-	41
<b>Subtotal</b>											41	31	37	41	44	15	-	209
<b>D. Rehabilitation and operationalization of fish handling and market facilities</b>																		
Feasibility, Design and Supervision	Unit	-	2	4	4	2	-	-	12	2,000	-	4	8	8	4	-	-	25
First Sale Fish market rehabilitation works	Unit	-	2	4	4	2	-	-	12	125,000	-	252	506	509	256	-	-	1,522
Consultancy service on design and implementation of management models	Per Month	4	4	4	-	-	-	-	12	5,000	20	21	21	-	-	-	-	62
<b>Subtotal</b>											20	276	534	517	261	-	-	1,609
<b>E. Upgrading handling capacity and fish quality in 'reference/wholesale' fish markets</b>																		
Identification and design updating	Unit	4	-	-	-	-	-	-	4	50,000	204	-	-	-	-	-	-	204
Construction works and equipment i	Unit	-	2	2	-	-	-	-	4	360,200	-	724	728	-	-	-	-	1,452
Supervision of construction works	Unit	-	2	2	-	-	-	-	4	6,500	-	13	13	-	-	-	-	26
<b>Subtotal</b>											204	737	741	-	-	-	-	1,683
<b>F. Implementation of 'transit point' facilities in selected sites</b>																		
Specifications and feasibility assessment	Unit	-	-	5	5	-	-	-	10	10,000	-	-	52	52	-	-	-	103
Site renovation and upgrade required for installation of cold equipment	Unit	-	-	-	2	3	3	2	10	100,000	-	-	-	203	308	310	208	1,029
Site renovation and upgrade required for storage of dried fish	Unit	-	-	-	2	3	3	2	10	10,000	-	-	-	20	31	31	21	103
Supervision of works	Unit	-	-	-	4	6	6	4	20	10,000	-	-	-	41	63	63	42	210
<b>Subtotal</b>											-	-	52	317	401	404	272	1,446
<b>G. Rehabilitation/Extension of local infrastructure/buildings</b>																		
Identification, Design/Design updating and Supervision	Unit	-	-	1	-	-	-	-	1	100,000	-	-	107	-	-	-	-	107
Rehabilitation works /i	Unit	-	-	1	-	-	-	-	1	1,500,000	-	-	1,516	-	-	-	-	1,516
<b>Subtotal</b>											-	-	1,622	-	-	-	-	1,622
<b>H. Technical Assistance</b>																		
Rural Infrastructure Specialist	Per Month	12	12	12	12	12	12	12	84	4,500	55	55	56	56	56	57	57	393
<b>Total</b>											578	3,906	5,999	4,459	4,226	1,365	329	20,861

**Table 3B: Value Chain Driven, and Climate Resilient Infrastructure Development – Quantities and Unit Costs**

Republic of Mozambique  
Artisanal Fisheries Resilient Development Project (PROPEIXE)  
**Table 2.2. Value Chain Driven, and Climate Resilient Infrastructure Development**

Detailed Costs (US\$)	Fin. Rule	Expenditures by																								
		GoM										IFAD						Private Sector								
		2024	2025	2026	2027	2028	2029	2030	Total	2024	2025	2026	2027	2028	2029	2030	Total	2024	2025	2026	2027	2028	2029	2030	Total	
<b>I. Investment Costs</b>																										
<b>A. Feeder Roads Rehabilitation</b>																										
Survey and Design	IFAD ( 100% )	11	11	11	11	-	-	-	44	170	170	171	172	-	-	-	684	-	-	-	-	-	-	-	-	-
Rehabilitation works /a	( 0% FOR 3, 100% FOR 4 ), BENE	-	147	147	148	149	-	-	592	-	1,661	1,669	-	-	-	-	3,330	-	-	-	-	-	-	-	-	-
Supervision of rehabilitation works	IFAD ( 100% )	-	11	11	11	11	-	-	44	-	170	171	172	173	-	-	-	687	-	-	-	-	-	-	-	-
Training of Supervising Engineers at PCU and District Levels /b	IFAD ( 100% )	5	-	-	-	-	-	-	5	72	-	-	-	-	-	-	72	-	-	-	-	-	-	-	-	-
<b>Subtotal</b>		15	168	169	170	161	-	-	684	242	2,001	2,011	344	173	-	-	4,772	-	-	-	-	-	-	-	-	-
<b>B. Maintenance of Feeder Roads</b>																										
Periodic maintenance /c	IR 3, 0% FOR 4 ), GEF ( 0% FOR 4 )	-	-	-	28	28	28	-	83	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Routine maintenance /d	IR 3, 0% FOR 4 ), GEF ( 0% FOR 4 )	-	-	8	14	19	25	-	67	-	-	129	-	-	-	-	129	-	-	-	-	-	-	-	-	-
<b>Subtotal</b>		-	-	8	41	47	53	-	150	-	-	129	-	-	-	-	129	-	-	-	-	-	-	-	-	-
<b>C. Road Maintenance Committees (RMC)</b>																										
Formation/Establishment of RMC /e	IFAD ( 100% )	-	0	0	0	0	-	-	1	-	5	5	5	5	-	-	19	-	-	-	-	-	-	-	-	-
Training of RMC /f	IFAD ( 100% )	-	1	1	1	1	-	-	3	-	13	13	13	-	-	-	53	-	-	-	-	-	-	-	-	-
Supervision of maintenance works /g	IFAD ( 100% )	-	-	0	1	1	1	-	3	-	-	6	9	12	15	-	40	-	-	-	-	-	-	-	-	-
Procurement of Equipment/hand tools /h	IFAD ( 100% )	-	1	1	1	1	-	-	3	-	12	12	12	12	-	-	47	-	-	-	-	-	-	-	-	-
Procurement of Motorcycles	IR 3, 0% FOR 4 ), GEF ( 0% FOR 4 )	2	-	-	-	-	-	-	2	38	-	-	-	-	-	-	38	-	-	-	-	-	-	-	-	-
<b>Subtotal</b>		2	2	2	2	3	1	-	13	38	29	35	38	41	15	-	197	-	-	-	-	-	-	-	-	-
<b>D. Rehabilitation and operationalization of fish handling and market facilities</b>																										
Feasibility, Design and Supervision	IFAD ( 100% )	-	0	0	0	0	-	-	1	-	4	8	8	4	-	-	23	-	-	-	-	-	-	-	-	-
First Sale Fish market rehabilitation works	IR 3, 0% FOR 4 ), GEF ( 0% FOR 4 )	-	15	30	31	15	-	-	91	-	236	-	-	-	-	-	236	-	-	-	-	-	-	-	-	-
Consultancy service on design and implementation of management models	IFAD ( 100% )	1	1	1	-	-	-	-	4	19	19	19	-	-	-	-	58	-	-	-	-	-	-	-	-	-
<b>Subtotal</b>		1	17	32	31	16	-	-	97	19	260	27	8	4	-	-	318	-	-	-	-	-	-	-	-	-
<b>E. Upgrading handling capacity and fish quality in 'reference/wholesale' fish markets</b>																										
Identification and design updating	PRIVATE_SECTOR ( 100% )	12	-	-	-	-	-	-	12	-	-	-	-	-	-	-	192	-	-	-	-	-	-	-	-	192
Construction works and equipment i	PRIVATE_SECTOR ( 100% )	-	43	44	-	-	-	-	87	-	-	-	-	-	-	-	-	681	684	-	-	-	-	-	-	1,365
Supervision of construction works	PRIVATE_SECTOR ( 100% )	-	1	1	-	-	-	-	2	-	-	-	-	-	-	-	-	12	12	-	-	-	-	-	-	25
<b>Subtotal</b>		12	44	44	-	-	-	-	101	-	-	-	-	-	-	-	192	693	697	-	-	-	-	-	-	1,582
<b>F. Implementation of 'transit point' facilities in selected sites</b>																										
Specifications and feasibility assessment	PRIVATE_SECTOR ( 100% )	-	-	3	3	-	-	-	6	-	-	-	-	-	-	-	-	48	49	-	-	-	-	-	-	97
Site renovation and upgrade required for installation of cold equipment	PRIVATE_SECTOR ( 100% )	-	-	-	12	18	19	12	62	-	-	-	-	-	-	-	-	-	191	289	291	196	968	-	-	968
Site renovation and upgrade required for storage of dried fish	PRIVATE_SECTOR ( 100% )	-	-	-	1	2	2	1	6	-	-	-	-	-	-	-	-	-	19	29	29	20	97	-	-	97
Supervision of works	PRIVATE_SECTOR ( 100% )	-	-	-	2	4	4	3	13	-	-	-	-	-	-	-	-	-	39	59	59	40	197	-	-	197
<b>Subtotal</b>		-	-	3	19	24	24	16	87	-	-	-	-	-	-	-	-	48	298	377	380	255	1,359	-	-	1,359
<b>G. Rehabilitation/Extension of local infrastructure/buildings</b>																										
Identification, Design/Design updating and Supervision	NORWAY ( 100% )	-	-	6	-	-	-	-	6	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Rehabilitation works /i	NORWAY ( 100% )	-	-	91	-	-	-	-	91	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Subtotal</b>		-	-	97	-	-	-	-	97	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>H. Technical Assistance</b>																										
Rural Infrastructure Specialist	IFAD ( 100% )	3	3	3	3	3	3	3	24	52	52	52	53	53	54	54	369	-	-	-	-	-	-	-	-	-
<b>Total</b>		35	234	360	268	254	82	20	1,252	351	2,342	2,255	443	272	68	54	5,785	192	693	745	298	377	380	255	2,941	

## Continued

Republic of Mozambique  
Artisanal Fisheries Resilient Development Project (PROPEIXE)  
Table 2.2. Value Chain Driven, and Climate Resilient Infrastructure Development

### Detailed Costs

(US\$)

#### I. Investment Costs

##### A. Feeder Roads Rehabilitation

	Beneficiaries							Financing Gap							NORAD									
	2024	2025	2026	2027	2028	2029	2030	Total	2024	2025	2026	2027	2028	2029	2030	Total	2024	2025	2026	2027	2028	2029	2030	Total
Survey and Design	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Rehabilitation works /a	-	636	639	-	-	-	-	1,275	-	-	-	2,323	2,342	-	-	4,665	-	-	-	-	-	-	-	-
Supervision of rehabilitation works	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Training of Supervising Engineers at PCU and District Levels /b	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Subtotal</b>	-	636	639	-	-	-	-	1,275	-	-	-	2,323	2,342	-	-	4,665	-	-	-	-	-	-	-	-

##### B. Maintenance of Feeder Roads

Periodic maintenance /c	-	-	-	-	-	-	-	-	-	-	-	432	436	439	-	1,308	-	-	-	-	-	-	-
Routine maintenance /d	-	-	-	-	-	-	-	-	-	-	-	216	305	395	-	917	-	-	-	-	-	-	-
<b>Subtotal</b>	-	-	-	-	-	-	-	-	-	-	-	649	741	835	-	2,225	-	-	-	-	-	-	-

##### C. Road Maintenance Committees (RMC)

Formation/Establishment of RMC /e	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Training of RMC /f	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Supervision of maintenance works /g	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Procurement of Equipment/hand tools /h	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Procurement of Motorcycles	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Subtotal</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

##### D. Rehabilitation and operationalization of fish handling and market facilities

Feasibility, Design and Supervision	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
First Sale Fish market rehabilitation works	-	-	-	-	-	-	-	-	-	-	-	475	478	241	-	1,195	-	-	-	-	-	-	-
Consultancy service on design and implementation of management models	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Subtotal</b>	-	-	-	-	-	-	-	-	-	-	-	475	478	241	-	1,195	-	-	-	-	-	-	-

##### E. Upgrading handling capacity and fish quality in 'reference/wholesale' fish markets

Identification and design updating	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Construction works and equipment i	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Supervision of construction works	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Subtotal</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

##### F. Implementation of 'transit point' facilities in selected sites

Specifications and feasibility assessment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Site renovation and upgrade required for installation of cold equipment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Site renovation and upgrade required for storage of dried fish	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Supervision of works	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Subtotal</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

##### G. Rehabilitation/Extension of local infrastructure/buildings

Identification, Design/Design updating and Supervision	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	100	-	-	-	-	100
Rehabilitation works /i	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,425	-	-	-	-	1,425
<b>Subtotal</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,525	-	-	-	-	1,525

##### H. Technical Assistance

Rural Infrastructure Specialist	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	-	636	639	-	-	-	-	1,275	-	-	475	3,450	3,324	835	-	8,084	-	-	1,525	-	-	-	1,525

**Table 4A: Institutional Strengthening and Policy Support – Quantities and Unit Costs**

Republic of Mozambique  
Artisanal Fisheries Resilient Development Project (PROPEIXE)

**Table 3.1. Institutional Strengthening and Policy Support**

**Detailed Costs**

(US\$)

	Unit	Quantities								Unit Cost	Totals Including Contingencies ('000)							
		2024	2025	2026	2027	2028	2029	2030	Total		2024	2025	2026	2027	2028	2029	2030	Total
<b>I. Investment Costs</b>																		
<b>A. Monitoring &amp; Evaluation and Knowledge Management</b>																		
<b>1. Monitoring &amp; Evaluation</b>																		
TA for M&E during start-up and implementation	Person/Days	20	10	-	7	-	-	7	44	350	7	4	-	3	-	-	3	16
Workshop with project stakeholders	Worksheet	1	-	-	1	-	-	1	3	3,000	3	-	-	3	-	-	3	9
Workshop to validate the M&E Manual and reporting tools	Worksheet	1	-	-	-	-	-	-	1	3,000	3	-	-	-	-	-	-	3
<b>Subtotal</b>											13	4	-	6	-	-	6	28
<b>2. Knowledge Management</b>																		
Studies in collaboration with the Oceanographic Institute of Mozambique	Study	-	1	1	-	1	-	-	3	30,000	-	31	31	-	31	-	-	92
GALS impact study and publication	Study	-	-	-	-	-	-	1	1	20,000	-	-	-	-	-	21	-	21
KM publication	Per Year	-	-	-	1	1	1	1	4	4,000	-	-	-	4	4	4	4	17
TV and radio awareness campaigns on environmental,gender and nutrition issues	Per Year	-	1	1	1	1	1	1	6	5,000	-	5	5	5	5	5	5	31
Environmental and nutrition awareness-raising activities in schools	Per Year	-	-	1	1	1	1	1	5	25,000	-	-	26	26	26	26	26	130
Development of short videos	Lumpsum	-	-	-	-	1	1	1	3	5,000	-	-	-	-	5	5	5	16
Printing of communications materials	Lumpsum	-	1	1	1	1	1	1	6	500	-	1	1	1	1	1	1	3
Exchange visits for technical staff and extension officers	Study	-	1	1	-	-	-	-	2	30,000	-	31	31	-	-	-	-	61
Exchange visits for mariculture farmers	Visit	-	1	1	-	-	-	-	2	10,000	-	10	10	-	-	-	-	20
Production of audio and visual material on mariculture, gender and nutrition	Lumpsum	-	1	-	-	-	-	-	1	35,000	-	36	-	-	-	-	-	36
Organisation of fishery fairs	Lumpsum	-	-	1	-	1	-	1	3	10,000	-	-	10	-	10	-	11	31
Update nutrition education training modules, conduct trainings	Modules	1	1	1	1	1	-	-	5	5,000	5	5	5	5	5	-	-	26
<b>Subtotal</b>											5	118	118	41	88	62	52	484
<b>Subtotal</b>											18	121	118	46	88	62	58	512
<b>B. Institutions Capacity and Policy dialogue on Gender and Nutrition</b>																		
Gender policy development	Policy	1	-	-	-	-	-	-	1	30,000	30	-	-	-	-	-	-	30
Workshop for policy dissemination ( Gender and Nutrition Policy Dialogue)	Worksheet	-	3	2	2	-	-	-	7	6,000	-	18	12	12	-	-	-	43
National Dialogue on Nutrition	Event	-	-	-	-	1	-	-	1	10,000	-	-	-	-	10	-	-	10
TA for Gender and Nutrition Mainstreaming Experts	Lumpsum	1	-	-	-	-	-	-	1	30,000	30	-	-	-	-	-	-	30
Training materials preparatuon and supprot to workshops	Consultant	1	-	-	-	-	-	-	1	30,000	30	-	-	-	-	-	-	30
<b>Subtotal</b>											91	18	12	12	10	-	-	145
<b>C. Policy initiatives InOM</b>																		
<b>1. Support for conducting ecosystem studies of fisheries in the project area /a</b>																		
Mapping and determination of the state of fisheries ecosystems (fishery resources, seagrass	Survey	1	1	1	-	-	-	-	3	33,000	33	34	34	-	-	-	-	101
Assessment of intra- and inter-trophic and abiotic interactions in coastal fisheries ecosystem:	Survey	-	1	1	1	1	1	-	5	8,500	-	9	9	9	9	9	-	44
Determining the ecological and socioeconomic value of coastal ecosystems (fishing resource	Survey	-	1	1	1	-	-	-	3	7,200	-	7	7	7	-	-	-	22
Others to be identified within the scope of project implementation	Lumpsum										15	-	-	-	-	-	-	15
<b>Subtotal</b>											49	50	50	16	9	9	-	182
<b>2. Support in the rehabilitation and conservation of coastal ecosystems</b>																		
Mapping and determination of the conservation status of coastal ecosystems (seagrasses, m	Survey	-	1	1	1	1	-	-	4	7,200	-	7	7	7	7	-	-	30
Assessment and proposal of restoration and management measures for mangroves, seagrass	Survey	-	1	1	1	1	1	1	6	1,200	-	1	1	1	1	1	1	7
Others to be identified within the scope of project implementation	Lumpsum										4	-	-	-	-	-	-	4
<b>Subtotal</b>											4	9	9	9	9	1	1	41
<b>Subtotal</b>											52	58	58	25	18	10	1	223
<b>D. Institutional Strengthening INIP</b>																		
<b>1. Elaboration, approval and dissemination of procedures to guarantee the hygienic e</b>																		
Preparation of procedures	Study	1	-	-	-	-	-	-	1	8,500	9	-	-	-	-	-	-	9
Publication and dissemination	Per Year	1	-	-	-	-	-	-	1	2,400	2	-	-	-	-	-	-	2
<b>Subtotal</b>											11	-	-	-	-	-	-	11

## Continued

(US\$)

	Unit	Quantities							Total	Unit Cost	Totals Including Contingencies ('000)							
		2024	2025	2026	2027	2028	2029	2030			2024	2025	2026	2027	2028	2029	2030	Total
<b>I. Investment Costs</b>																		
2. Training of Fish Inspection technicians	Per Year	1	1	-	-	-	-	-	2	8,200	8	8	-	-	-	-	17	
3. Training of people involved in hygienic control at INAE, SDAEs, and Municipalities (technicians)	Per Year	-	2	1	-	-	-	-	3	8,200	-	17	8	-	-	-	25	
4. Training of operators and artisanal fishermen in good hygiene practices, handling, conservation	Per Year	-	10	20	20	13	-	-	63	400	-	4	8	8	5	-	26	
5. Monitoring, evaluation of the implementation of good practices, inspection and traceability control	Study	-	2	3	4	4	4	4	21	2,850	-	6	9	12	12	12	62	
<b>Subtotal</b>											19	35	25	20	17	12	141	
<b>E. Institutional Strengthening INAMAR</b>																		
Semi rigid boat 9m (one per province)	Boats	-	5	-	-	-	-	-	5	75,000	-	382	-	-	-	-	382	
Motocycle (one per district)	Number	-	14	7	-	-	-	-	21	4,000	-	57	29	-	-	-	86	
Surveillance Kits (shore folder, gauge, calculating machine, photo camera, etc. /b)	Kit	42	21	21	-	-	-	-	84	800	34	17	17	-	-	-	68	
Staff training in approach procedures and legislation	Per Year	1	1	1	-	-	-	-	3	23,500	24	24	24	-	-	-	72	
<b>Subtotal</b>											58	480	70	-	-	-	608	
<b>F. Policy initiatives INAMAR</b>																		
Illegal fishing impact study	Study	1	-	-	-	-	-	-	1	78,802	80	-	-	-	-	-	80	
Elaboration of the MCS strategy for the elimination of illegal arts (consultancy)	Study	-	1	-	-	-	-	-	1	78,802	-	80	-	-	-	-	80	
<b>Subtotal</b>											80	80	-	-	-	-	160	
<b>G. Institutional Strengthening ADNAP</b>																		
<b>1. Headquarters</b>																		
IT equipment (computer and printer)	Number	2	-	-	-	-	-	-	2	2,500	5	-	-	-	-	-	5	
<b>2. The Open ArtFish system implemented in the 21 districts covered by the project</b>																		
IT equipment PC (computer and printer, district and delegation)	Number	5	-	-	-	-	-	-	5	2,000	10	-	-	-	-	-	10	
IT equipment laptop (districts and delegations)	Number	32	-	-	-	-	-	-	32	1,500	49	-	-	-	-	-	49	
Motocycle (district)	Number	21	-	-	10	-	-	-	31	4,000	85	-	-	41	-	-	127	
Kit (for sampling)	Kit	63	-	-	-	63	-	-	126	500	32	-	-	-	33	-	65	
Training of database and sampling managers at central, provincial and district levels	Session	3	-	-	-	3	-	-	6	20,000	61	-	-	-	62	-	123	
Monitoring the data collection and processing process	Study	36	36	36	36	36	36	36	252	500	18	18	18	19	19	19	130	
Fuel for the vehicles involved in the implementation of the system	Litres/Year	22,500	22,500	22,500	22,500	22,500	22,500	22,500	157,500	1	34	34	34	35	35	35	243	
<b>Subtotal</b>											289	53	53	94	149	54	747	
<b>Subtotal</b>											295	53	53	94	149	54	752	
<b>H. Policy initiatives (MIMAIP)</b>																		
Finalization of PESPA II	Lumpsum	1	-	-	-	-	-	-	1	150,000	152	-	-	-	-	-	152	
Census of Artisanal Fisheries 2027	Lumpsum	-	-	1	-	-	-	-	1	750,000	-	-	768	-	-	-	768	
Organization of the fisheries co-management system (covering the artisanal fisheries in the 21 districts)	Study	-	1	-	-	-	-	-	1	150,000	-	153	-	-	-	-	153	
Other particularly relevant initiatives /c	Lumpsum	-	-	-	-	-	-	-	-	-	102	-	-	-	-	-	102	
Scholarships for MIMAIP Staff	Lumpsum	-	1	1	1	1	1	-	5	80,000	-	82	82	82	83	84	413	
<b>Subtotal</b>											254	234	850	82	83	84	1,588	
<b>I. Youth skills development training and Enterprise Development for IDPs and Northern</b>																		
TVET training - Students (Including Fisheries Community young boys and girls)	Session	300	450	300	150	-	-	-	1,200	700	213	321	215	108	-	-	857	
Business development ( e.g. SYB training)	Session	200	300	400	100	-	-	-	1,000	350	71	107	143	36	-	-	358	
Service Provider ( management/implementetation related costs including salary)	Lumpsum	1	1	1	1	-	-	-	4	180,000	183	183	184	186	-	-	736	
<b>Subtotal</b>											467	611	543	330	-	-	1,951	
<b>Total</b>											1,335	1,692	1,730	610	365	222	126	6,080





## Continued

(US\$)

Fin. Rule	GoM							IFAD							NORAD									
	2024	2025	2026	2027	2028	2029	2030	Total	2024	2025	2026	2027	2028	2029	2030	Total	2024	2025	2026	2027	2028	2029	2030	Total
<b>I. Investment Costs</b>																								
2. Training of Fish Inspection technicians																	8	8	-	-	-	-	-	16
NORAD ( 100% )	1	1	-	-	-	-	-	1	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
3. Training of people involved in hygienic control at INAE, SDAEs, and Municipalities (technic)																	16	8	-	-	-	-	23	
NORAD ( 100% )	-	1	1	-	-	-	-	2	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
4. Training of operators and artisanal fishermen in good hygiene practices, handling, conserva																	4	8	8	5	-	-	24	
NORAD ( 100% )	-	0	1	1	0	-	-	2	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
5. Monitoring, evaluation of the implementation of good practices, inspection and traceability of																		5	8	11	11	11	58	
NORAD ( 100% )	-	0	1	1	1	1	1	4	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
<b>Subtotal</b>	<b>1</b>	<b>2</b>	<b>2</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>10</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>18</b>	<b>33</b>	<b>24</b>	<b>19</b>	<b>16</b>	<b>11</b>	<b>11</b>	<b>131</b>	
<b>E. Institutional Strengthening INAMAR</b>																								
Semi rigid boat 9m (one per province)																								
IFAD ( 100% )	-	26	-	-	-	-	-	26	-	356	-	-	-	-	-	356	-	-	-	-	-	-	-	
Motocycle (one per district)																								
IFAD ( 100% )	-	4	2	-	-	-	-	6	-	53	27	-	-	-	-	80	-	-	-	-	-	-	-	
Surveillance Kits (shore folder, gauge, calculating machine, photo camera, etc. /b																								
IFAD ( 100% )	2	1	1	-	-	-	-	5	32	16	16	-	-	-	-	64	-	-	-	-	-	-	-	
Staff training in approach procedures and legislation																								
IFAD ( 100% )	2	2	2	-	-	-	-	5	22	22	22	-	-	-	-	67	-	-	-	-	-	-	-	
<b>Subtotal</b>	<b>4</b>	<b>32</b>	<b>5</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>41</b>	<b>54</b>	<b>448</b>	<b>65</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>567</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	
<b>F. Policy initiatives INAMAR</b>																								
Illegal fishing impact study																								
NORAD ( 100% )	5	-	-	-	-	-	-	5	-	-	-	-	-	-	-	75	-	-	-	-	-	-	75	
Elaboration of the MCS strategy for the elimination of illegal arts (consultancy)																								
NORAD ( 100% )	-	5	-	-	-	-	-	5	-	-	-	-	-	-	-	-	75	-	-	-	-	-	75	
<b>Subtotal</b>	<b>5</b>	<b>5</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>11</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>75</b>	<b>75</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>149</b>	
<b>G. Institutional Strengthening ADNAP</b>																								
<b>1. Headquarters</b>																								
IT equipment (computer and printer)																								
IFAD ( 100% )	0	-	-	-	-	-	-	0	5	-	-	-	-	-	-	5	-	-	-	-	-	-	-	
<b>2. The Open ArtFish system implemented in the 21 districts covered by the project</b>																								
IT equipment PC (computer and printer, district and delegation)																								
IFAD ( 100% )	1	-	-	-	-	-	-	1	9	-	-	-	-	-	-	9	-	-	-	-	-	-	-	
IT equipment laptop (districts and delegations)																								
IFAD ( 100% )	3	-	-	-	-	-	-	3	45	-	-	-	-	-	-	45	-	-	-	-	-	-	-	
Motocycle (district)																								
IFAD ( 100% )	6	-	-	3	-	-	-	9	80	-	-	38	-	-	-	118	-	-	-	-	-	-	-	
Kit (for sampling)																								
IFAD ( 100% )	2	-	-	-	2	-	-	4	30	-	-	-	31	-	-	60	-	-	-	-	-	-	-	
Training of database and sampling managers at central, provincial and district levels																								
IFAD ( 100% )	4	-	-	-	4	-	-	8	57	-	-	-	58	-	-	115	-	-	-	-	-	-	-	
Monitoring the data collection and processing process																								
IFAD ( 100% )	1	1	1	1	1	1	1	9	17	17	17	17	17	18	18	121	-	-	-	-	-	-	-	
Fuel for the vehicles involved in the implementation of the system																								
IFAD ( 100% )	2	2	2	2	2	2	2	16	32	32	32	32	33	33	33	227	-	-	-	-	-	-	-	
<b>Subtotal</b>	<b>20</b>	<b>4</b>	<b>4</b>	<b>6</b>	<b>10</b>	<b>4</b>	<b>4</b>	<b>50</b>	<b>270</b>	<b>49</b>	<b>49</b>	<b>88</b>	<b>139</b>	<b>50</b>	<b>51</b>	<b>696</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	
<b>Subtotal</b>	<b>20</b>	<b>4</b>	<b>4</b>	<b>6</b>	<b>10</b>	<b>4</b>	<b>4</b>	<b>51</b>	<b>275</b>	<b>49</b>	<b>49</b>	<b>88</b>	<b>139</b>	<b>50</b>	<b>51</b>	<b>701</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	
<b>H. Policy initiatives (MIMAIP)</b>																								
Finalization of PESPA II																								
IFAD ( 100% )	10	-	-	-	-	-	-	10	142	-	-	-	-	-	-	142	-	-	-	-	-	-	-	
Census of Artisanal Fisheries 2027																								
NORWAY ( 100% )	-	-	52	-	-	-	-	52	-	-	-	-	-	-	-	-	-	716	-	-	-	-	716	
Organization of the fisheries co-management system (covering the artisal fisheries in the 21 di																								
NORAD ( 100% )	-	10	-	-	-	-	-	10	-	-	-	-	-	-	-	-	142	-	-	-	-	-	142	
Other particularly relevant initiatives /c																								
NORAD ( 100% )	7	-	-	-	-	-	-	7	-	-	-	-	-	-	-	-	95	-	-	-	-	-	95	
Scholarships for MIMAIP Staff																								
IFAD ( 100% )	-	6	6	6	6	6	-	28	-	76	76	77	78	78	-	385	-	-	-	-	-	-	-	
<b>Subtotal</b>	<b>17</b>	<b>16</b>	<b>57</b>	<b>6</b>	<b>6</b>	<b>6</b>	<b>-</b>	<b>107</b>	<b>142</b>	<b>76</b>	<b>76</b>	<b>77</b>	<b>78</b>	<b>78</b>	<b>-</b>	<b>527</b>	<b>95</b>	<b>142</b>	<b>716</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>953</b>	
<b>I. Youth skills development training and Enterprise Development for IDPs and Northern Provinces /d</b>																								
TVET training - Students (Including Fisheries Community young boys and girls)																								
IFAD ( 100% )	14	22	15	7	-	-	-	58	199	299	201	101	-	-	-	800	-	-	-	-	-	-	-	
Business development ( e.g. SYB training)																								
IFAD ( 100% )	5	7	10	2	-	-	-	24	66	100	134	34	-	-	-	333	-	-	-	-	-	-	-	
Service Provider ( management/imlemenetation related costs including salary)																								
IFAD ( 100% )	12	12	12	13	-	-	-	50	170	171	172	173	-	-	-	686	-	-	-	-	-	-	-	
<b>Subtotal</b>	<b>32</b>	<b>41</b>	<b>37</b>	<b>22</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>132</b>	<b>435</b>	<b>570</b>	<b>506</b>	<b>308</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,819</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	
<b>Total</b>	<b>90</b>	<b>114</b>	<b>117</b>	<b>41</b>	<b>25</b>	<b>15</b>	<b>9</b>	<b>411</b>	<b>1,008</b>	<b>1,264</b>	<b>810</b>	<b>528</b>	<b>304</b>	<b>182</b>	<b>97</b>	<b>4,194</b>	<b>236</b>	<b>313</b>	<b>803</b>	<b>41</b>	<b>37</b>	<b>25</b>	<b>20</b>	<b>1,475</b>

**Table 5A: Project Coordination and Implementation Support – Quantities and Unit Costs**

Republic of Mozambique  
 Artisanal Fisheries Resilient Development Project (PROPEIXE)  
**Table 3.2. Project Coordination and Implementation Support**  
**Detailed Costs**  
 (US\$)

Unit	Quantities								Unit Cost	Totals Including Contingencies ('000)								
	2024	2025	2026	2027	2028	2029	2030	Total		2024	2025	2026	2027	2028	2029	2030	Total	
<b>I. Investment Costs</b>																		
<b>A. Maputo Office/National Level - National PMU</b>																		
<b>1. Vehicles</b>																		
4x4 Double Cabin	Number	2	-	-	-	-	-	-	2	55,000	112	-	-	-	-	-	112	
<b>2. Office, IT Equipement and Software</b>																		
Laptop computers	Number	15	-	-	-	-	-	-	15	1,500	23	-	-	-	-	-	23	
Multifunctional printer/copy machine/scanner	Number	2	-	-	-	-	-	-	2	6,000	12	-	-	-	-	-	12	
Personal Printer/Scanner /a	Number	4	-	-	-	-	-	-	4	1,000	4	-	-	-	-	-	4	
Professional Scanner for e-Archiving /b	Number	2	-	-	-	-	-	-	2	5,000	10	-	-	-	-	-	10	
Financial management software/ e-Sistafe /c	Lumpsum	1	-	-	-	-	-	-	1	5,000	5	-	-	-	-	-	5	
File server and costs /d	Lumpsum	1	1	1	1	1	1	1	7	1,000	1	1	1	1	1	1	7	
Office furniture /e	Lumpsum	15	-	-	-	-	-	-	15	1,000	15	-	-	-	-	-	15	
Photocamera	Number	1	-	-	-	-	-	-	1	2,000	2	-	-	-	-	-	2	
Videocamera	Number	1	-	-	-	-	-	-	1	3,000	3	-	-	-	-	-	3	
Video conferencing kit	Kit	1	-	-	-	-	-	-	1	4,000	4	-	-	-	-	-	4	
Server (Internet connectivity Upgrade)	Lumpsum	1	1	1	1	1	1	1	7	3,000	3	3	3	3	3	3	22	
<b>Subtotal</b>											<b>83</b>	<b>4</b>	<b>4</b>	<b>4</b>	<b>4</b>	<b>4</b>	<b>108</b>	
<b>Subtotal</b>											195	4	4	4	4	4	220	
B. Rehabilitation of IDEPA offices for the PMU	Lumpsum	1	-	-	-	-	-	-	1	25,000	25	-	-	-	-	-	25	
C. Start-up Workshop and Project Launching	Worksheet	1	-	-	-	-	-	-	1	30,000	30	-	-	-	-	-	30	
D. Project Audits- Administrative Court /f	Per Year	1	1	1	1	1	1	1	7	3,000	3	3	3	3	3	3	22	
E. Steering Committee Meetings	Worksheet	1	1	1	1	1	1	1	7	2,000	2	2	2	2	2	2	14	
<b>F. Provincial IDEPA Delegations</b>																		
<b>1. Vehicles</b>																		
4x4 Double Cabin	Number	5	-	-	-	-	-	-	5	55,000	280	-	-	-	-	-	280	
Motorbikes	Number	63	-	-	-	-	-	-	63	4,000	256	-	-	-	-	-	256	
<b>Subtotal</b>											<b>536</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>536</b>	
<b>2. Office, IT Equipement and Software</b>																		
Laptop computers	Number	15	-	-	-	-	-	-	15	1,500	23	-	-	-	-	-	23	
Multifunctional printer/copy machine/scanner	Number	5	-	-	-	-	-	-	5	5,000	25	-	-	-	-	-	25	
Office furniture	Lumpsum	15	-	-	-	-	-	-	15	1,000	15	-	-	-	-	-	15	
Photocamera	Number	5	-	-	-	-	-	-	5	2,000	10	-	-	-	-	-	10	
Videocamera	Number	5	-	-	-	-	-	-	5	3,000	15	-	-	-	-	-	15	
Videoconferencing kit	Kit	5	-	-	-	-	-	-	5	4,000	20	-	-	-	-	-	20	
Server (Internet connectivity Upgrade)	Lumpsum	5	5	5	5	5	5	5	35	1,500	8	8	8	8	8	8	54	
<b>Subtotal</b>											<b>117</b>	<b>8</b>	<b>8</b>	<b>8</b>	<b>8</b>	<b>8</b>	<b>164</b>	
3. Rehabilitation IDEPA Provincial Delegations	Lumpsum	-	5	-	-	-	-	-	5	10,000	-	51	-	-	-	-	51	
4. Provincial Steering Committee Meetings	Worksheet	5	5	5	5	5	5	5	35	1,000	5	5	5	5	5	5	36	
<b>Subtotal</b>											<b>658</b>	<b>64</b>	<b>13</b>	<b>13</b>	<b>13</b>	<b>13</b>	<b>787</b>	
G. Baseline, mid-line, end-line surveys (baseline through FIPS)	Lumpsum	1	-	-	1	-	-	1	3	120,000	122	-	-	124	-	-	127	373
H. Development of Management Information System for PROPEIXE (to be fi	Lumpsum	1	-	-	-	-	-	-	1	100,000	102	-	-	-	-	-	102	
I. AWPB development and review	Per Year	1	1	1	1	1	1	1	7	10,000	10	10	10	10	10	11	72	
J. IFAD implementation workshop	Worksheet	1	-	-	1	-	-	1	3	5,000	5	-	-	5	-	-	16	
<b>Total Investment Costs</b>											<b>1,152</b>	<b>83</b>	<b>32</b>	<b>162</b>	<b>33</b>	<b>33</b>	<b>165</b>	<b>1,661</b>

**Continued**

(US\$)

	Unit	Quantities								Unit Cost	Totals Including Contingencies ('000)							
		2024	2025	2026	2027	2028	2029	2030	Total		2024	2025	2026	2027	2028	2029	2030	Total
<b>II. Recurrent Costs</b>																		
<b>A. National PMU</b>																		
<b>1. Staff Salaries /g</b>																		
Project Coordinator	Per Month	12	12	12	12	12	12	12	84	6,000	72	72	73	73	74	74	75	514
Financial Manager	Per Month	12	12	12	12	12	12	12	84	5,000	60	60	61	61	62	62	62	428
M&E Officer	Per Month	12	12	12	12	12	12	12	84	4,500	54	54	55	55	55	56	56	385
Procurement Officer	Per Month	12	12	12	12	12	12	12	84	4,500	54	54	55	55	55	56	56	385
KM Officer /h	Per Month	-	-	-	12	12	12	12	48	4,000	-	-	-	49	49	50	50	198
Financial Assistant	Per Month	12	12	12	12	12	12	12	84	3,000	36	36	36	37	37	37	37	257
Procurement Assistant	Per Month	12	12	12	12	12	12	12	84	3,000	36	36	36	37	37	37	37	257
Driver	Per Month	12	12	12	12	12	12	12	84	1,000	12	12	12	12	12	12	12	86
Social Inclusion Specialist (Gender, Targeting, Youth, Nutrition) /i	Per Month	-	-	-	12	12	12	12	48	4,000	-	-	-	49	49	50	50	198
Administrative Assistant	Per Month	12	12	12	12	12	12	12	84	1,500	18	18	18	18	18	19	19	128
<b>Subtotal</b>											<b>343</b>	<b>344</b>	<b>346</b>	<b>445</b>	<b>449</b>	<b>453</b>	<b>456</b>	<b>2,835</b>
2. Travel and Missions (Nutrition related)	Lumpsum	5	5	5	5	5	-	-	25	1,500	8	8	8	8	8	-	-	38
<b>Subtotal</b>											<b>350</b>	<b>351</b>	<b>353</b>	<b>453</b>	<b>457</b>	<b>453</b>	<b>456</b>	<b>2,873</b>
<b>B. Performance Support to the Project</b>																		
Support to IDEPA at national level	Lumpsum	-	-	-	-	1	1	1	3	100,000	-	-	-	-	103	103	104	310
<b>C. Travel Costs</b>																		
National Travel Costs (Perdien and Tickets)	Lumpsum	20	40	40	40	40	30	30	240	1,000	20	40	40	41	41	31	31	245
<b>D. Operation and Maintanance</b>																		
Vehicle O&M	Per Year	2	2	2	2	2	2	2	14	2,000	4	4	4	4	4	4	4	29
Vehicle Fuel	Lumpsum	1	1	1	1	1	1	1	7	10,000	10	10	10	10	10	10	10	71
Insurance	Lumpsum	2	2	2	2	2	2	2	14	1,000	2	2	2	2	2	2	2	14
<b>Subtotal</b>											<b>16</b>	<b>16</b>	<b>16</b>	<b>16</b>	<b>16</b>	<b>17</b>	<b>17</b>	<b>114</b>
E. Office Supplies	Lumpsum	1	1	1	1	1	1	1	7	5,000	5	5	5	5	5	5	5	36
<b>F. Provincial IDEPA Delegations</b>																		
<b>1. Travel Costs</b>																		
National Travel Costs (Perdien and Tickets)	Lumpsum	100	200	200	200	200	150	150	1,200	300	30	60	61	61	62	46	47	367
<b>2. Operation and Maintanance</b>																		
Vehicle O&M	Per Year	5	5	5	5	5	5	5	35	500	3	3	3	3	3	3	3	18
Motorbike O&M	Per Year	63	63	63	63	63	63	63	441	100	6	6	6	6	6	7	7	45
Vehicle and Motorbike Fuel	Per Year	5	5	5	5	5	5	5	35	10,000	50	50	51	51	51	52	52	357
Vehicle Insurance	Per Year	5	5	5	5	5	5	5	35	600	3	3	3	3	3	3	3	21
Motorbike Insurance	Per Year	63	63	63	63	63	63	63	441	200	13	13	13	13	13	13	13	90
<b>Subtotal</b>											<b>75</b>	<b>75</b>	<b>75</b>	<b>76</b>	<b>76</b>	<b>77</b>	<b>77</b>	<b>531</b>
3. Office Supplies	Lumpsum	5	5	5	5	-	5	5	30	1,000	5	5	5	5	-	5	5	31
<b>Subtotal</b>											<b>110</b>	<b>140</b>	<b>141</b>	<b>142</b>	<b>138</b>	<b>129</b>	<b>130</b>	<b>928</b>
<b>Total Recurrent Costs</b>											<b>501</b>	<b>553</b>	<b>556</b>	<b>657</b>	<b>760</b>	<b>737</b>	<b>743</b>	<b>4,506</b>
<b>Total</b>											<b>1,653</b>	<b>636</b>	<b>588</b>	<b>818</b>	<b>792</b>	<b>770</b>	<b>909</b>	<b>6,166</b>

**Table 5B: Project Coordination and Implementation Support – Financing Rule**

Republic of Mozambique

Artisanal Fisheries Resilient Development Project (PROPEIXE)

**Table 3.2. Project Coordination and Implementation Support**

**Detailed Costs**

(US\$)

	Fin. Rule	Expenditures by Financiers ('000)															
		GoM							IFAD								
		2024	2025	2026	2027	2028	2029	2030	Total	2024	2025	2026	2027	2028	2029	2030	Total
<b>I. Investment Costs</b>																	
<b>A. Maputo Office/National Level - National PMU</b>																	
<b>1. Vehicles</b>																	
4x4 Double Cabin	IFAD ( 100% )	34	-	-	-	-	-	-	34	78	-	-	-	-	-	-	78
<b>2. Office, IT Equipement and Software</b>																	
Laptop computers	IFAD ( 100% )	2	-	-	-	-	-	-	2	21	-	-	-	-	-	-	21
Multifunctional printer/copy machine/scanner	IFAD ( 100% )	1	-	-	-	-	-	-	1	11	-	-	-	-	-	-	11
Personal Printer/Scanner /a	IFAD ( 100% )	0	-	-	-	-	-	-	0	4	-	-	-	-	-	-	4
Professional Scanner for e-Archiving /b	IFAD ( 100% )	1	-	-	-	-	-	-	1	9	-	-	-	-	-	-	9
Financial management software/ e-Sistafe /c	IFAD ( 100% )	0	-	-	-	-	-	-	0	5	-	-	-	-	-	-	5
File server and costs /d	IFAD ( 100% )	0	0	0	0	0	0	0	1	1	1	1	1	1	1	1	7
Office furniture /e	IFAD ( 100% )	1	-	-	-	-	-	-	1	14	-	-	-	-	-	-	14
Photocamera	IFAD ( 100% )	0	-	-	-	-	-	-	0	2	-	-	-	-	-	-	2
Videocamera	IFAD ( 100% )	0	-	-	-	-	-	-	0	3	-	-	-	-	-	-	3
Video conferencing kit	IFAD ( 100% )	0	-	-	-	-	-	-	0	4	-	-	-	-	-	-	4
Server (Internet connectivity Upgrade)	IFAD ( 100% )	0	0	0	0	0	0	0	2	3	3	3	3	3	3	3	20
<b>Subtotal</b>		<b>6</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>8</b>	<b>77</b>	<b>4</b>	<b>4</b>	<b>4</b>	<b>4</b>	<b>4</b>	<b>4</b>	<b>100</b>
<b>Subtotal</b>		<b>39</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>41</b>	<b>155</b>	<b>4</b>	<b>4</b>	<b>4</b>	<b>4</b>	<b>4</b>	<b>4</b>	<b>178</b>
B. Rehabilitation of IDEPA offices for the PMU	IFAD ( 100% )	2	-	-	-	-	-	-	2	24	-	-	-	-	-	-	24
C. Start-up Workshop and Project Launching	IFAD ( 100% )	2	-	-	-	-	-	-	2	28	-	-	-	-	-	-	28
D. Project Audits- Administrative Court /f	IFAD ( 100% )	0	0	0	0	0	0	0	2	3	3	3	3	3	3	3	20
E. Steering Committee Meetings	IFAD ( 100% )	0	0	0	0	0	0	0	1	2	2	2	2	2	2	2	13
<b>F. Provincial IDEPA Delegations</b>																	
<b>1. Vehicles</b>																	
4x4 Double Cabin	IFAD ( 100% )	84	-	-	-	-	-	-	84	196	-	-	-	-	-	-	196
Motorbikes	IFAD ( 100% )	77	-	-	-	-	-	-	77	179	-	-	-	-	-	-	179
<b>Subtotal</b>		<b>161</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>161</b>	<b>375</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>375</b>
<b>2. Office, IT Equipement and Software</b>																	
Laptop computers	IFAD ( 100% )	2	-	-	-	-	-	-	2	21	-	-	-	-	-	-	21
Multifunctional printer/copy machine/scanner	IFAD ( 100% )	2	-	-	-	-	-	-	2	24	-	-	-	-	-	-	24
Office furniture	IFAD ( 100% )	1	-	-	-	-	-	-	1	14	-	-	-	-	-	-	14
Photocamera	IFAD ( 100% )	1	-	-	-	-	-	-	1	9	-	-	-	-	-	-	9
Videocamera	IFAD ( 100% )	1	-	-	-	-	-	-	1	14	-	-	-	-	-	-	14
Videoconferencing kit	IFAD ( 100% )	1	-	-	-	-	-	-	1	19	-	-	-	-	-	-	19
Server (Internet connectivity Upgrade)	IFAD ( 100% )	1	1	1	1	1	1	1	4	7	7	7	7	7	7	7	50
<b>Subtotal</b>		<b>8</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>12</b>	<b>109</b>	<b>7</b>	<b>7</b>	<b>7</b>	<b>7</b>	<b>7</b>	<b>7</b>	<b>152</b>
3. Rehabilitation IDEPA Provincial Delegations	IFAD ( 100% )	-	4	-	-	-	-	-	4	-	47	-	-	-	-	-	47
4. Provincial Steering Committee Meetings	IFAD ( 100% )	0	0	0	0	0	0	0	3	5	5	5	5	5	5	5	34
<b>Subtotal</b>		<b>169</b>	<b>5</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>179</b>	<b>488</b>	<b>59</b>	<b>12</b>	<b>12</b>	<b>12</b>	<b>12</b>	<b>12</b>	<b>608</b>
G. Baseline, mid-line, end-line surveys (baseline through FIPS)	IFAD ( 100% )	9	-	-	9	-	-	9	26	113	-	-	115	-	-	118	346
H. Development of Management Information System for PROPEIXE (to be fi	IFAD ( 100% )	7	-	-	-	-	-	-	7	94	-	-	-	-	-	-	94
I. AWPB development and review	IFAD ( 100% )	1	1	1	1	1	1	1	5	9	9	10	10	10	10	10	67
J. IFAD implementation workshop	IFAD ( 100% )	0	-	-	0	-	-	0	1	5	-	-	5	-	-	5	14
<b>Total Investment Costs</b>		<b>230</b>	<b>6</b>	<b>2</b>	<b>11</b>	<b>2</b>	<b>2</b>	<b>12</b>	<b>266</b>	<b>922</b>	<b>77</b>	<b>30</b>	<b>150</b>	<b>30</b>	<b>31</b>	<b>154</b>	<b>1,394</b>

**Continued**

Detailed Costs  
(US\$)

**Expenditures by Financiers ('000)**

Fin. Rule	GoM								IFAD								
	2024	2025	2026	2027	2028	2029	2030	Total	2024	2025	2026	2027	2028	2029	2030	Total	
<b>II. Recurrent Costs</b>																	
<b>A. National PMU</b>																	
<b>1. Staff Salaries /g</b>																	
Project Coordinator	IFAD ( 100% )	-	-	-	-	-	-	-	72	72	73	73	74	74	75	514	
Financial Manager	IFAD ( 100% )	-	-	-	-	-	-	-	60	60	61	61	62	62	62	428	
M&E Officer	IFAD ( 100% )	-	-	-	-	-	-	-	54	54	55	55	55	56	385		
Procurement Officer	IFAD ( 100% )	-	-	-	-	-	-	-	54	54	55	55	55	56	385		
KM Officer /h	IFAD ( 100% )	-	-	-	-	-	-	-	-	-	-	49	49	50	198		
Financial Assistant	IFAD ( 100% )	-	-	-	-	-	-	-	36	36	36	37	37	37	257		
Procurement Assistant	IFAD ( 100% )	-	-	-	-	-	-	-	36	36	36	37	37	37	257		
Driver	IFAD ( 100% )	-	-	-	-	-	-	-	12	12	12	12	12	12	86		
Social Inclusion Specialist (Gender, Targeting, Youth, Nutrition) /i	IFAD ( 100% )	-	-	-	-	-	-	-	-	-	-	49	49	50	198		
Administrative Assistant	IFAD ( 100% )	-	-	-	-	-	-	-	18	18	18	18	18	19	128		
<b>Subtotal</b>		-	-	-	-	-	-	-	343	344	346	445	449	453	2,835		
2. Travel and Missions (Nutrition related)	IFAD ( 100% )	-	-	-	-	-	-	-	8	8	8	8	8	-	38		
<b>Subtotal</b>		-	-	-	-	-	-	-	350	351	353	453	457	453	2,873		
<b>B. Performance Support to the Project</b>																	
Support to IDEPA at national level	IFAD ( 100% )	-	-	-	-	-	-	-	-	-	-	-	103	103	104	310	
<b>C. Travel Costs</b>																	
National Travel Costs (Perdien and Tickets)	IFAD ( 100% )	-	-	-	-	-	-	-	20	40	40	41	41	31	245		
<b>D. Operation and Maintenance</b>																	
Vehicle O&M	IFAD ( 100% )	-	-	-	-	-	-	-	4	4	4	4	4	4	29		
Vehicle Fuel	IFAD ( 100% )	-	-	-	-	-	-	-	10	10	10	10	10	10	71		
Insurance	IFAD ( 100% )	-	-	-	-	-	-	-	2	2	2	2	2	2	14		
<b>Subtotal</b>		-	-	-	-	-	-	-	16	16	16	16	16	17	114		
E. Office Supplies	IFAD ( 100% )	-	-	-	-	-	-	-	5	5	5	5	5	5	36		
<b>F. Provincial IDEPA Delegations</b>																	
<b>1. Travel Costs</b>																	
National Travel Costs (Perdien and Tickets)	IFAD ( 100% )	-	-	-	-	-	-	-	30	60	61	61	62	46	367		
<b>2. Operation and Maintenance</b>																	
Vehicle O&M	IFAD ( 100% )	-	-	-	-	-	-	-	3	3	3	3	3	3	18		
Motorbike O&M	IFAD ( 100% )	-	-	-	-	-	-	-	6	6	6	6	6	7	45		
Vehicle and Motorbike Fuel	IFAD ( 100% )	-	-	-	-	-	-	-	50	50	51	51	51	52	357		
Vehicle Insurance	IFAD ( 100% )	-	-	-	-	-	-	-	3	3	3	3	3	3	21		
Motorbike Insurance	IFAD ( 100% )	-	-	-	-	-	-	-	13	13	13	13	13	13	90		
<b>Subtotal</b>		-	-	-	-	-	-	-	75	75	75	76	76	77	531		
3. Office Supplies	IFAD ( 100% )	-	-	-	-	-	-	-	5	5	5	5	-	5	31		
<b>Subtotal</b>		-	-	-	-	-	-	-	110	140	141	142	138	129	928		
<b>Total Recurrent Costs</b>		-	-	-	-	-	-	-	501	553	556	657	760	737	4,506		
<b>Total</b>		230	6	2	11	2	2	12	266	1,423	630	586	807	790	768	897	5,900

## **Mozambique**

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### **Artisanal Fisheries Resilient Development Project Project Design Report**

#### **Annex 4: Economic and Financial Analysis**

Mission Dates: 22 May – 09 June  
Document Date: 25/10/2023  
Project No. 2000004008  
Report No. 6599-MZ

East and Southern Africa Division  
Programme Management Department



## PROPEIXE

### Annex 4: Economic and Financial Analysis

#### I. Introduction:

1. **Overview:** The annex presents the results of the financial and economic analysis of Artisanal Fisheries Resilient Development Project (PROPEIXE) in Mozambique. PROPEIXE has been designed as a value chain project. The project Economic and Financial Analysis (EFA) has been anchored on the project development objective which is *"Increase the sustainability of fishery value chain returns, by promoting responsible fisheries, community conservation and restoration of ecosystems and biodiversity, while also supporting fishery community resilience through diversification of livelihoods"*.

#### II. Financial Analysis:

2. **Objectives of the financial analysis:** The main objectives of the financial analysis are: (i) to assess the financial viability of the project intervention by examining the impact of project intervention in the target value chains. (ii) Establish the baseline of the economic analysis, which will compliment the financial analysis, to assess the project benefits from the overall economic perspective (society as a whole). The analysis is based on the quantifiable incremental benefits that will accrue from the proposed investment. As a result of project intervention, the following results are expected:
  - Increased production and production along the supported value chains.
  - Improved sustainable market of fish and fish products.
  - Improved food safety and dietary diversification.
3. **Methodological approach:** The financial net incremental benefits have been derived from the activity level models, by computing the difference between the with-project (WP) and the without project (WOP) gross margins (baseline). The gross margins have been computed as a difference between the annual revenue and the production costs.
4. **Data:** The data used for this analysis, including quantities like annual catch levels, input and output costs, has been obtained during the design mission through discussions with mission members, and engagement with beneficiaries during the in-Country field mission.
5. The models that have been lined up for this EFA have been grouped in the following clusters:

<ul style="list-style-type: none"><li>• Fisheries.</li><li>• Alternative Livelihoods.</li><li>• Value Chain</li><li>• Infrastructure development.</li></ul>
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6. Based on the above clusters, the models developed to assess the financial viability of the project are presented in the summary table 1 below:

**Table 1: Financial analysis incremental benefits**

Project Year	Farm models' net incremental benefits MZN											
	Fisheries Models				Alternative Livelihoods				Value Chains		Infrastructure	
	Moma With Motor	Moma Without Motor	Boat - 9m	Purse Seine	Navala Carpenter - Moma	Naval Carpenter - Machua	Fresh Fish Trading	Dry Fish Trading	Domestic Ice Production	Ice Plant - 1 Tonne	Ice Plant - 2 Tonnes	Road Benefits
PY1	(354,240)	(146,320)	(2,189,960)	(2,239,200)	(92,000)	(86,000)	88,509	84,009	34,000	3,557,076	9,394,758	-
PY2	42,560	13,800	391,520	535,800	28,000	34,000	37,949	28,548	16,000	1,123,424	1,994,242	349,747
PY3	29,120	13,800	237,620	319,800	28,000	104,000	37,949	28,548	16,000	1,123,424	1,994,242	699,494
PY4	203,840	37,320	801,100	1,250,400	28,000	104,000	37,949	28,548	16,000	1,123,424	1,994,242	1,049,242
PY5	203,840	37,320	801,100	1,250,400	28,000	104,000	37,949	28,548	16,000	1,123,424	1,994,242	1,049,242
PY6	203,840	37,320	801,100	1,250,400	28,000	104,000	37,949	28,548	16,000	1,123,424	1,994,242	1,049,242
PY7	203,840	37,320	801,100	1,250,400	28,000	104,000	37,949	28,548	16,000	1,123,424	1,994,242	1,049,242
PY8	203,840	37,320	801,100	1,250,400	28,000	104,000	37,949	28,548	16,000	1,123,424	1,994,242	1,049,242
PY9	203,840	37,320	801,100	1,250,400	28,000	104,000	37,949	28,548	16,000	1,123,424	1,994,242	1,049,242
PY10	203,840	37,320	801,100	1,250,400	28,000	104,000	37,949	28,548	16,000	1,123,424	1,994,242	1,049,242
IRR	33%	14%	24%	36%	27%	83%	41%	31%	45%	28%	15%	#DIV/0!
NPV @12%	385,916	8,897	1,071,144	2,625,254	48,888	353,679	98,447	58,555	44,458	2,080,851	953,222	4,099,170
B/C Ratio	1.24	1.00	1.00	1.73	1.05	1.11	1.03	1.41	1.29	0.95	0.94	N/A
Return to family labour	1,187	215	549	1,312	336	2,112	659	2,518	1,333	N/A	N/A	N/A

7. As can be seen in the summary table 1 above, all models present positive financial viability using the key metrics financial Internal Rate of Return (IRR) and Net Present Value (NPV). The discount rate used for financial analysis is 12%. This is the current rate on deposit/savings accounts in Mozambique<sup>1</sup>. Other benefits indicators computed for financial analysis includes; Benefits Cost Ratios (BCR) and return to family labor. No return to family labor has been computed for Ice plants assuming the ice facilities are managed at a higher level and not conventional individual based.
8. **Sources of benefits:** The financial analysis is anchored on the interrelationships between the primary producers, infrastructure, and the medium- and small-scale enterprises in the value chain supported by PROPEIXE. To demonstrate these interrelationship, the following models have been developed:
- Adoption of fishing improved technologies leads to improved productivity and increased sale of quality fresh fish.
  - Availability of ice through the establishment of ice plants and associated transport, within the growth poles leads to increased fishing production and income accrued from higher prices.
  - Rehabilitation of rural roads leads to increased fish volume transported and marketed, reduced post harvest losses and transportation costs.
9. **Self consumption:** Self consumption has been factored into various models where appropriate. This has been included purposely to indicate how income is spent on food for various enterprises.
10. **Post harvest losses:** An average percentage has been applied to different VCs for post-harvest losses depending on the nature of the value chain. The high spoilage is due to lack of processing activities and equipment such as ice making plants, cold storages, absence of fish handling centres and transit points. As a result of project intervention, it is assumed that all the above challenges will be fixed, and the post

<sup>1</sup> [Mozambique Gross Savings Rate | Economic Indicators | CEIC \(ceicdata.com\)](http://ceicdata.com)

harvest losses are expected to go down to an average percentage of 4% for all value chains.

11. **Project outreach and adoption rate:** The baseline target number of beneficiary households (HH) for PROPEIXE in the selected target area is estimated at 40,000HHs. This includes 25,600 HHs (64%) who will receive a full set of project services under different value chains, and 14,400 HH (36%) who will directly benefit from feeder roads rehabilitation only. Using gradual adoption rates, the corresponding number of households is estimated at 23,843 HH adopting the proposed investment. The HH aggregation is aligned to the project annual budget allocation. The nature of the project is such that it will need heavy investments in the initial years. Household phasing is presented in the summary table below.

**Table 2: Household phasing by year**

HH Aggregation									
Total Project Beneficiaries	40,000								
Project Year	Y1	Y2	Y3	Y4	Y5	Y6	Y7	Total	
Phasing of Households	3,171	8,955	9,896	7,534	6,609	2,369	1,466	40,000	
Cummulative	3,171	12,125	22,021	29,556	36,165	38,534	40,000	40,000	
Adoption Rate	35%	45%	55%	65%	75%	85%	95%		
Aggregation/Phasing by Year	Y1	Y2	Y3	Y4	Y5	Y6	Y7	Y8	Y9
Beneficiaries in their Y1	1,110	4,030	5,443	4,897	4,957	2,014	1,393		
Beneficiaries in their Y2		1,110	4,030	5,443	4,897	2,014	1,393		
Beneficiaries in their Y3			1,110	4,030	5,443	4,897	2,014	1,393	
Beneficiaries in their Y4				1,110	4,030	5,443	4,897	2,014	
Beneficiaries in their Y5					1,110	4,030	5,443	4,897	
Beneficiaries in their Y6						1,110	4,030	5,443	
Beneficiaries in their Y7							1,110	4,030	5,443
Beneficiaries in their Y8								1,110	4,030
									1,110
<b>Total Beneficiaries Adopting</b>	<b>1,110</b>	<b>5,139</b>	<b>10,582</b>	<b>15,480</b>	<b>20,436</b>	<b>22,450</b>	<b>23,843</b>	<b>23,843</b>	<b>23,843</b>
Number of HH receiving full set of project services	64%	710	2,579	3,483	3,134	3,172	1,289	891	Total
Number of HH benefiting from feeder roads rehabilitation	34%	377	1,370	1,851	1,665	1,685	685	474	15,259
									8,107

12. **Cost per beneficiary:** The cost per beneficiary has been derived from total project costs (US\$63.4 million) divided by the target number of target households (40,000HH). The cost per beneficiary HH has therefore been computed at US\$1,585 and US\$368 for each household member. This analysis is presented in the table 3 below.

**Table 3: Programme costs and log-frame indicators**

PROGRAMME COSTS AND INDICATORS FOR LOGFRAME					
TOTAL PROGRAMME COSTS (in million USD )					
Beneficiaries	172,000	people	63.4		
Cost per beneficiary	368	USD x person	40,000	Households	
				1,585	USD
Components and Cost (USD million)					
A. Resilient Artisanal Fisheries and	19				MZN million
B. Inclusive Fisheries Value Chain Development and Liveli	32	Average increase in income per HH			2.3
C. Institutional Strengthening, Project	12				
<b>Total</b>	<b>63.4</b>				

### III. Economic analysis:

13. **Objectives of the economic analysis:** The economic analysis has been carried out to: (i) Determine the economic viability and overall cost effectiveness of the project, estimated from the perspective of the overall economy than at individual level, through

comparison of aggregated economic benefits and the total project economic costs. (ii) Perform sensitivity analysis to measure the robustness of the proposed investment and measure the variations in the overall Economic Rate of Return (ERR) and Net Present Value (NPV) due to risks and unforeseen factors.

14. **Methodological approach:** Economic analysis used the same methodology used for financial analysis, by deriving the incremental benefits from the activity level models, by calculating the difference between the with-project (WP) and the without project (WOP) gross margins (baseline), using the Cost Benefits Analysis (CBA). The analysis has adopted the value chains used for financial analysis and converted them to economic terms. Standard Conversion Factors (SCF) for both labour and tradable goods have been applied to all input and output costs/prices to calculate the economic value. CFs used for economic analysis have been computed as shown in the table below (*data source: World Bank statistics*).

**Table 4: Conversion Factor computations:**

SCF		2015	2016	2017	2018	2019	2020
Derivation of SCF		US\$	US\$	US\$	US\$	US\$	US\$
SER = OER x (M + X) / [(M + Tm) + (X - Tx)] = OER x SCF							
SCF = SER/OER							
1) total imports (M) M =							
2) total exports (X) X =							
3) import taxes (Tm) Tm =							
4) export taxes (Tx) Tx =							
Years		2015	2016	2017	2018	2019	2020
X	Export of goods/ Free On Board	2,980,000,000	3,330,000,000	4,700,000,000	5,210,000,000	4,670,000,000	3,810,000,000
M	Import of goods/Free On Board	7,290,000,000	5,290,000,000	5,700,000,000	6,770,000,000	8,760,000,000	7,100,000,000
Tm	Import Taxes	1,166,400,000	846,400,000	912,000,000	1,083,200,000	1,401,600,000	1,136,000,000
Tx	Export Taxes						
		0.90	0.91	0.92	0.92	0.91	0.91
		0.91					
OER		63.4					
SER		57.7					
SCF (SER/OER)		0.91					
CF for labour		0.75					
Import tax rate		16.00%					

15. **Economic Benefits:** The baseline Economic Rate of Return (ERR) and Net Present Value (NPV) have been estimated at 33 per cent and US\$88.8 million respectively. All quantifiable benefits have been discounted over a period of 20 years including 7 years of project implementation period using a rate of 23.4 percent per cent which is the current prime lending rate of Bank of Mozambique to commercial banks<sup>2</sup>. The ERR of 33 per cent is higher than the discount rate used for economic analysis which confirms the justification of the proposed investment. The benefits/cost ratio for the whole investment is estimated at 36.05. The overall project economic analysis is summarised in the table below:

<sup>2</sup> [Mozambique Prime Lending Rate - Forecast \(tradingeconomics.com\)](http://tradingeconomics.com)

**Table 5: Overall Economic Analysis.**

Project year	Project Incremental Economic Benefits				Total Net Inc. Benefits (MZN million)	Economic Project Costs (MZN million)				Cash-flow
	Incr. benefits - Fisheries	Incr. benefits - Alternative Livelihoods	Incr. benefits - Value Chain	Incr. benefits - Road Benefits		Investment Costs	Recurrent Costs	Costs Included in Models	Total Economic Costs	
PY1	(281)	19	835	0	1,135	265	32		297	(1,432)
PY2	(902)	(62)	(2,833)	44	(3,752)	804	35		839	(4,591)
PY3	(833)	(53)	(3,170)	186	(3,871)	892	35		927	(4,798)
PY4	(5)	9	(1,779)	401	(1,374)	665	41	13	693	(2,068)
PY5	912	61	(941)	641	673	572	47	19	600	73
PY6	2,740	164	2,168	877	5,949	177	45	19	203	5,746
PY7	3,613	205	2,998	1,025	7,842	92	45	13	125	7,717
PY8	4,622	246	4,297	1,397	10,562		28		28	10,534
PY9	4,829	251	4,297	1,539	10,916		28		28	10,888
PY10	4,972	251	4,297	1,398	10,918		28		28	10,890
PY11	4,972	251	4,297	1,398	10,918		28		28	10,890
PY12	4,972	251	4,297	1,398	10,918		28		28	10,890
PY13	4,972	251	4,297	1,398	10,918		28		28	10,890
PY14	4,972	251	4,297	1,398	10,918		28		28	10,890
PY15	4,972	251	4,297	1,398	10,918		28		28	10,890
PY16	4,972	251	4,297	1,398	10,918		28		28	10,890
PY17	4,972	251	4,297	1,398	10,918		28		28	10,890
PY18	4,972	251	4,297	1,398	10,918		28		28	10,890
PY19	4,972	251	4,297	1,398	10,918		28		28	10,890
PY20	4,972	251	4,297	1,398	10,918		28		28	10,890
NPV @ 23% (million MZN)										5,629
NPV @ 23% (million USD)										88.8
EIRR										33%
BCR				Benefits	145,907				4,048	36.05

16. **Economic costs used for analysis:** The economic costs used in the overall economic analysis are estimated at MZN3.1 billion (US\$59.2 million) over a period of 7 years of implementation. The costs have been transformed into economic terms using the costab software, by deducting taxes that are expected to be incurred during the project implementation. No investment costs are considered after the implementation period. Operating costs (assumed up to 10% percent of the total economic costs) have been included from year 8 to year 20 as it is assumed that these costs will have to be incurred if project benefits are to be sustained.
17. **Double counting of costs:** In order to avoid double counting of costs, all costs already included in estimation of the net incremental cash-flow of the enterprise models (i.e. investment costs such as installation of ice equipments have been excluded in the overall analysis as they are already incorporated in the value chains.
18. **Sensitivity analysis:** To test the robustness of the above analysis, a sensitivity analysis has been carried out to measure variations due to unforeseen factors and relevant risks linked to the project IPRM.
19. **Results of sensitivity analysis:** A change in benefits by 20% increase in costs and decrease in benefits using the same proportion yield an ERR of 32.3 per cent and 32.1 percent with positive NPV of US\$83 million and US\$65 million respectively. An increase in project benefits by either 10% & 20% yields a higher of 33.6 per cent & 34 per cent respectively both with positive NPV. A delay in project benefits by 1 & 2 years still yields positive results as it yields 31.7% and 30% with positive net present values. Results of the sensitivity analysis indicate that the project remains economically viable under the various assumptions considered. The summary of the sensitivity analysis is presented in the tables below.

**Table 6: Sensitivity analysis matrix**

Sensitivity analysis matrix				
	%	IRR	NPV (US\$) Million	Link between EFA and IPRM
Base Scenario		33.2%	88.78	
Decrease of Project benefits	-10%	32.7%	76.91	Extreme weather events. The frequency of days of heavy rainfall is expected to increase, leading to increased floods. Frequency of tropical cyclones is likely to reduce but the intensity of these cyclones will increase. The frequency and intensity of days of extreme heat as well as droughts are also expected to increase.
	-20%	32.1%	65.03	
	-30%	31.4%	53.15	
Cost Increase	10%	32.8%	85.79	The macroeconomic policies (monetary, fiscal, debt management/sustainability, trade) unsustainable or vulnerable to domestic or external shocks, resulting in high inflation, low foreign exchange, large fiscal deficits & debt distress leading to government inability to mobilize counterpart funding, and to an overall adverse impact on market dynamics of value chains. (market prices and profit)
	20%	32.3%	82.79	
	50%	31.1%	74.14	
Delay of benefits	1 Year	31.7%	64.14	Delay in project implementation due to the upcoming elections in 2025, decentralization, changes in government, high political instability/turnover/uncertainty, changing political priorities) including approval and implementation of laws and regulations, and timely counterpart funding)
	2 Years	30.0%	44.18	
Increase of benefits	10%	33.6%	100.66	Climate adaptation interventions including early warning systems, access to weather and climate data, climate-resilient infrastructure, climate-smart practices/technologies. High adoption rates
	20%	34.0%	112.54	

**Table 7: Detailed sensitivity analysis**

Year	1	2	3	4	5	6	7	8	9	10	.11-20
<b>Incremental Benefits</b>	-1,135	-3,752	-3,871	-1,374	673	5,949	7,842	10,562	10,916	10,918	10,918
benefits +10%	- 1,249	- 4,128	- 4,258	- 1,512	740	6,544	8,626	11,619	12,007	12,010	12,010
benefits +20%	- 1,362	- 4,503	- 4,645	- 1,649	808	7,139	9,410	12,675	13,099	13,102	13,102
Mild scenario	- 1,022	- 3,377	- 3,484	- 1,237	606	5,354	7,057	9,506	9,824	9,826	9,826
Medium scenario	- 908	- 3,002	- 3,097	- 1,100	538	4,759	6,273	8,450	8,733	8,734	8,734
High scenario	- 795	- 2,627	- 2,710	- 962	471	4,164	5,489	7,394	7,641	7,643	7,643
<b>Project Costs</b>	297	839	927	693	600	203	125	28	28	28	28
costs +10%	327	923	1,020	763	660	223	137	31	31	31	31
costs +20%	356	1,007	1,113	832	720	244	150	33	33	33	33
costs +30%	446	1,259	1,391	1,040	900	264	162	36	36	36	36
<b>Net cash flow</b>											
base scenario	(1,432)	(4,591)	(4,798)	(2,068)	73	5,746	7,717	10,534	10,888	10,890	10,890
costs +10%	(1,462)	(4,675)	(4,891)	(2,137)	13	5,726	7,704	10,532	10,885	10,887	10,887
costs +20%	(1,492)	(4,759)	(4,983)	(2,206)	(47)	5,705	7,692	10,529	10,882	10,884	10,884
costs +30%	(1,581)	(5,011)	(5,262)	(2,414)	(227)	5,685	7,680	10,526	10,879	10,882	10,882
benefits +10%	(1,546)	(4,967)	(5,185)	(2,205)	140	6,341	8,501	11,591	11,979	11,982	11,982
benefits +20%	(1,659)	(5,342)	(5,572)	(2,343)	207	6,936	9,285	12,647	13,071	13,074	13,074
benefits -10%	(1,319)	(4,216)	(4,411)	(1,930)	6	5,151	6,933	9,478	9,796	9,798	9,798
benefits -20%	(1,205)	(3,841)	(4,024)	(1,793)	(62)	4,556	6,149	8,422	8,705	8,706	8,706
benefits -30%	(1,092)	(3,466)	(3,637)	(1,655)	(129)	3,961	5,364	7,366	7,613	7,615	7,615
benefits delayed 1 year	(297)	(1,974)	(4,680)	(4,564)	(1,975)	470	5,824	7,814	10,534	10,888	10,890
benefits delayed 2 years	(297)	(839)	(2,062)	(4,446)	(4,471)	(1,577)	548	5,921	7,814	10,534	10,888
<b>Discount rate</b>	<b>24%</b>										
<b>Sensitivity Analysis</b>	<b>Base case</b>	<b>Costs Increase</b>			<b>Increase of Benefits</b>		<b>Decrease of Benefits</b>			<b>Delay of Benefits</b>	
		<b>+10%</b>	<b>+20%</b>	<b>+50%</b>	<b>+10%</b>	<b>+20%</b>	<b>-10%</b>	<b>-20%</b>	<b>-30%</b>	<b>1 year</b>	<b>2 years</b>
IRR	33.2%	32.8%	32.3%	31.1%	33.6%	34.0%	32.7%	32.1%	31.4%	31.7%	30.0%
NPV (MZN) million	5,629	5,439	5,249	4,701	6,382	7,135	4,876	4,123	3,370	4,066	2,801
NPV (USD) million	89	86	83	74	101	113	77	65	53	64	44

**20. Conclusion:** The following economic performance indicators for the proposed investment have been computed: (i) Economic Rate of Return (ERR), (ii) Net Present Value (NPV), and (ii) Benefits Cost Ratio (BCR). The overall ERR is computed to illustrate the need for funding overall cost effectiveness. PROPEIXE is projected to yield a baseline Economic Rate of return (ERR) of 33 per cent with a positive Net present Value (NPV) of US\$88.8 million (MZN5.6 billion). The baseline ERR is above the discount rate used for economic analysis which confirms the economic justification of the project.

## **Mozambique**

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### **Artisanal Fisheries Resilient Development Project**

### **Project Design Report**

### **Annex 5: Social Environment and Climate Assessment (SECAP) Review Note**

Mission Dates: 22 May – 09 June

Document Date: 25/10/2023

Project No. 2000004008

Report No. 6599-MZ

East and Southern Africa Division  
Programme Management Department



The SECAP Review note should build on the preliminary note mentioned above, draw on the results of the screening exercise and be informed by the issues raised during the design mission, the stakeholders interviews, publicly available tools and dataset, and environmental, social or climate-related studies that inform on the characteristics of the project location. The SECAP review note includes the revised ESMP and should be attached to the Project Design Report, integrated in Draft Project Implementation Manual (PIM) and COSTAB and shall be submitted to Design Review Meeting (DRM) or IRC (for NSOs).

## **1. Introduction**

1. The primary goals of the Social Environment and Climate Assessment Procedures (SECAP) review note is
  1. To conduct a strategic assessment of environmental and social aspects, including poverty reduction, food insecurity, and malnutrition and community resilience activities.
  2. To propose climate change adaptation and mitigation measures, as well as strategic opportunities for PROPEIEXE and national/rural sector development plans, as well as the country's contribution to achieving the Sustainable Development Goals (SDGs) and nationally determined contributions (NDCs).
  3. To provide analytical support and provide strategic recommendations for the design and implementation process, allowing proper identification of current/potential issues related to gender and social inclusion, address key trends and assess viability of sustainable options to help the project achieve its strategic objectives in relation to the mainstreaming agenda.
1. This review note is based on desk review from various secondary sources, including the (GoM, legal, institutional, policy documents. The study also includes reviewing IFAD strategy papers, action plans, reports from other multilateral agencies and development partners, and findings from the field visits, interview with various stakeholders and national consultation process with key stakeholders during design Mission

## **2. Situational analysis and potential project impacts**



2. Artisanal fisheries projects in Mozambique have been raising livelihoods, contributing to reducing poverty and improving nutrition. These operations have strengthened the technical basis for fishing and improved the support systems required to develop the sector, but much more needs to be done if the potential of artisanal fisheries is to be unlocked and incomes and livelihoods of fishing communities sustainably improved. There is particular scope for the improvement of fishing operations within a resilient and livelihood diversification approach. This is particularly important to strengthen the resilience and livelihood of a range of fishing communities, many of which are still very poor and experiencing the negative impact of climate change, environmental degradation which contributes to increase in poverty and food insecurity. According to the 2020 ND-Gain Index, out of 181 countries Mozambique is the 57<sup>th</sup> most vulnerable to CC and is the 11<sup>th</sup> least ready to respond to this challenge<sup>[1]</sup>. Cyclones, floods and droughts are becoming more frequent, with devastating impacts on the food security and livelihoods of the rural poor. The need to strengthen the resilience and adaptive capacity of rural communities has become a national priority.
3. PROPEIXE goal is to improve the resilience and incomes and livelihoods of poor households involved in artisanal fisheries in the selected growth poles. The Project Development Objective (PDO) will be to increase the returns from fish sales for artisanal fishers and small market operators on a sustainable basis, by promoting community conservation and restoration of ecosystems and biodiversity. The project responds to the needs of the target groups; a) small-scale artisanal fishers engaged in the fishery sector at subsistence level with the need to improve their fishing practices, access to technologies and markets. Small scale fishers are from different socioeconomic levels: more resilient households owning assets and having easier access to market and credit as compared to others (more vulnerable) which represent the majority; b) Vulnerable households from fisher communities not directly engaged in fishing, but interested to engage in economic activities along selected links of the fisheries value chain or develop alternative income generating activities. This group includes (i) unemployed youth (ii) women and women-headed households (WHHs) who are directly involved in fish processing and other income generating activities but experience high levels of exclusion due to socio-economic constraints.
4. Target groups categories include households facing different degrees of poverty and vulnerability, ranging from ultra-poor and vulnerable to transitory poor and Internally Displaced People (IDP). Project components are designed to provide relevant services to all categories identified and respond to their needs. Strong consultation process will be in place and focus will be given to households with the highest level of poverty, women headed households and families with members with disabilities. The project is expected to have a positive impact for poverty reduction, gender equality, creating opportunities for unemployed youth and social inclusion integration. The project will make extra effort to identify suitable activities (e.g. IGA, skills development) to directly involve persons with disabilities (PwD).
5. **Demographic:** Mozambique has a population of approximately 32 million inhabitants (50.9 per cent women) and 62.3 per cent of rural population with a 2 per cent growth. Life expectancy is 61 years (58 men and 64 for women). The infant mortality rate is estimated at 51 deaths per 1,000 live births<sup>[1]</sup> (WB, 2021). In 2022, Mozambique ranked 181/188 on the Human Development Index [2].
6. **Literacy:** The literacy rates among adults are 63 per cent (2021) with a higher rate among men (74 per cent) in comparison to 54 per cent for women (UNDP, 2022). The percentage of people who cannot read or write has been decreasing over time from 44.9 per cent in 2014/15 to 39.9 per cent in 2019/20. This reduction is registered in all age groups and in both sexes. Despite the reduction in the illiteracy rate being more pronounced among women (6.8 per cent points) than men (2.7 per cent points), the per cent of women who cannot read or write is higher (51.0 per cent women and 27.4 per cent men), (IOF, 2019/2020)<sup>[2]</sup>.
7. **Labour market:** Eighty per cent of the population is engaged in informal labour, mostly in agriculture and informal self-employment for which only 12 per cent receive a wage; women account for 59 per cent of the informal labour sector, but only 20 per cent of them receive salaries<sup>[3]</sup>. Unemployment rate in Mozambique increased to 3.9, which is higher than 3.5 in 2019 nationwide (4.2 per cent for women and 3.6 per cent for men).
8. **Trend of economic growth:** Mozambique suffered from two consecutive years of El Niño-related drought, which had a negative impact on agriculture production and rural livelihoods in general. The country is also prone to other natural disasters, including cyclones and floods, which can disrupt the country's economic development and affected particularly poor population. Since 2016, the combination of the hidden debt crisis, the tropical cyclones that affected the Central and Northern parts of the country in 2019, and more recently, the COVID-19 pandemic resulted in a significant slowdown of growth and increased poverty and vulnerability. Mozambique is a low-income country with a GDP per capita of US\$ 417, which is among the lowest in the world. The average annual per capita growth rate is negative: it was -0.6 in 2019, -4.1 in 2021 and stood at -0.5 in 2021<sup>[4]</sup>. The impact of these events on growth has affected the wellbeing of the Mozambican population, and especially rural poor people.
9. <sup>[1]</sup>[World Bank Data, 2021](#)<sup>link</sup>
10. <sup>[2]</sup> Income household survey 2019-2020. (Inquérito sobre Orçamento Familiar IOF, 2019-2020) National Institute of Statistics (INE)<sup>link</sup>
11. <sup>[3]</sup> United Nations, 2021. Mozambique Common Country Analysis, [link](#)
12. <sup>[4]</sup> World Bank data 2021,<sup>link</sup>
13. <sup>[5]</sup> University of Notre Dame (2023). "ND-Gain Index". Accessed at: <https://gain.nd.edu/our-work/country-index/rankings/>

## 2.1 Socio-economic assessment

### a. Overall poverty situation

14. **Poverty:** Even though Mozambique has managed to reduce, poverty in all forms measured during the last 15 years, with significant improvements in rural and in every province, with reduced economic gap between women and men, large pockets of poverty remain with high levels of vulnerability. About 63.7 per cent and 82.4 per cent of the population live below the international poverty line of USD 1.90 and 3.20 per day, respectively, with multidimensional poverty rate at 73.2<sup>5</sup>.
15. Poverty is still predominantly a rural phenomenon where 62.3 per cent of the poor households are located. Around 60 per cent of the population live in the coastal areas with high level of exposure to climate hazards and erosion. Poverty levels are significantly higher in the Northern and Central regions of Mozambique, which have larger populations and are more distant from major urban centres and economic hubs. Many more people are poor in Niassa (60 per cent), Nampula (57 per cent), and Zambezia (56 per cent) in contrast to lower poverty rates in Maputo Province (18 per cent). Although, the incidence of multidimensional poverty by province, in percentage, decreased between 2008 and 2014, Cabo Delgado continues to have the highest consumption poverty percentage of all provinces, suggesting a clear geographical and regional pattern of distribution of poverty. Growth has become less inclusive and there is variation in progress across the country, while GDP per capita continues to be highest in the South.
16. Macroeconomic volatility, coupled with weather shocks driven by climate change, stagnant agriculture production in the Centre and North of the country (which constitute an important source of livelihoods for most Mozambicans living in rural areas) and the COVID-19 containment measures have hampered employment and households' earnings.

### b. Gender

17. **Gender:** Well-documented evidence shows that gender inequality in Mozambique is acute, with the country ranking 136 out of 162 countries in the Gender Inequality Index (0,537)<sup>[1]</sup>. Many young girls in Mozambique do not have the opportunity to live their childhoods or pursue their aspirations. Mozambique has one of the highest child-marriage rates and one of the highest adolescent pregnancy rates in the world. In 2011, 14 per cent of adolescent girls got married before the age of 15 and 48 per cent before the age of 18, with the highest child marriages in Northern provinces (Niassa, Nampula and Zambezia)<sup>[2]</sup>. As a result, girls are more likely to drop out of school than boys are. Out of total adolescents out of school, young girls account for 47 per cent and boys 39 per cent. The level of educational attainment (lower secondary) in 2017 for boys was 19.9 per cent and for girls only 10.6 per cent<sup>[3]</sup>. Low education, particularly among women, has a perpetuating impact on the weak education and health of children, as Mozambican women are, in general, those who carry this responsibility at home according to the country's social norms.
18. **Rural Women:** Women are overrepresented in the informal sector and 80 per cent of them work in agriculture<sup>[4]</sup>. Gender inequalities in the inheritance of land are rampant, despite the legal framework, which firmly guarantees equal inheritance rights. According to the National Directorate of Land, in 2015 only 20 per cent of land certificates (DUAT) were registered to women while 80 per cent were registered to men<sup>[5]</sup>. In addition, women only manage 70 per cent of those plots that they own, and that women are more likely to manage plots in household areas. In cases where women do manage women-owned plots of land, they typically do not grow the main cash crop for the household, and they do not use complicated or advanced production techniques. Where land is owned jointly, men are given decision-making authority over the land and its use, and polygamy further constrains individual women's access to and control over resources.
19. Women-headed households account for 33 per cent of the total population<sup>[6]</sup>. They are estimated to constitute 36 per cent of farming households and generally own smaller plots and use fertilisers, pesticides, machinery, and other more modern inputs less than male-headed households own<sup>[7]</sup>. Rural women in Mozambique face large constraints in accessing essential productive resources and services, technology, market information and financing. They are underrepresented in local institutions and governance mechanisms and tend to have less decision-making power than men do. Prevailing gender norms and discrimination also often lead to those women facing an excessive work burden, and that much of their labour remains unpaid and unrecognised.
20. **Women in the Fishery Sector:** Many women contribute to fisheries production, engaging across the value chain from pre-harvest to harvest as well as processing, trading and marketing activities. Women play an active role in the fishery sector, mainly at subsistence level, representing 53.3 per cent. They are also engaged in fish processing, representing 57 per cent. Fish trading women dominate the sector in the south, being 87.52 per cent in Maputo province, 81.97 per cent in Maputo City, 70.36 per cent in Gaza province and 62.45 per cent in Inhambane province. In the northern region, this participation drop to 13.64 per cent in Cabo Delgado and 7.6 per cent in Nampula.
21. For fish capture, women often use nets of small mesh sizes (small fish such as juvenile reef fish, as well as anchovy and sardine) and they rely on shell collection. They do so because they have fewer assets and cannot afford more expensive fishing gear (e.g., boats, nets), or the start-up capital required for trading and processing activities. Based on artisanal fishery sector

census (2012) women fishing using boats constituted 2.06 per cent and men 97.94 per cent being women only 1 per cent boat owners (over 52,778 boat owners only 604 are women).

22. In the post-harvest sector, the majority of women fish traders operate informally: outside established markets, on the streets or door-to-door in urban and rural areas, while men fish traders have access to better transport (e.g., refrigerated trucks) and higher-end markets (e.g., hotels and restaurants). Women are often at a disadvantage, as they tend to not be formally organised, and are underrepresented in local fisheries co-management Community Fisheries Councils (Conselhos Comunitarios de Pesca - CCPs) and, to a lesser extent, credit groups (PCRs) and market associations. In 2009, women were only 8.83 per cent of the CCP members. This limits their access to resources, including storage, as well as fish-preservation and processing equipment, reducing quality of product, leading to waste and constraining women's ability to distribute their goods.
23. **Women's access to financial services:** Women in Mozambique mainly use informal financial services such as Xitique, family and saving and credit Groups (ASCAS). Majority of women, use informal savings mechanisms with 38 per cent using Xitique and 67 per cent savings groups ASCAS.
24. The prevalence of women in ASCAS is significant (81 per cent) in southern region of the country (Maputo, Gaza and Inhambane) while in the northern region is less prominent (59 per cent for women members compared to 41 per cent for men members).<sup>[8]</sup> Taking into account that the majority of agricultural producers are women, the promotion and regulation of ASCAs is crucial for rural women access to financial services.
25. Men (60 per cent) mostly use banks and in case of women; they are engaged in business activities and micro-small enterprises. Challenges faced by women and their MSMEs include the limited access to financial services, limited market access, shortage of raw material, lack of collateral, savings and insurance, lack of financial literacy, limited knowledge of business development and management skills (no records for administration, lack of planning).
26. <sup>[1]</sup> UNDP, Gender Inequality Index (GII) 2021<sup>link</sup>
27. <sup>[2]</sup> UNICEF (2015) Child Marriages & Adolescent Pregnancy in Mozambique: Causes and Impact<sup>link</sup>
28. <sup>[3]</sup> World Bank Data, 2017,<sup>link</sup>
29. <sup>[4]</sup> World Bank Data, 2019,<sup>link</sup>
30. <sup>[5]</sup> ADECRU, 2018, Securing women land rights, Scaling for impact in Mozambique (<sup>link</sup>)
31. <sup>[6]</sup> World Bank Data, 2018<sup>link</sup>
32. <sup>[7]</sup> National Institute of Statistics (INE), 2017
33. <sup>[8]</sup> The Challenges of Access to Financial Services in the Agricultural Sector in Mozambique, 2019

### c. Youth

1. **Youth:** The youth policy (1996) defines youth as citizens between 15 and 35. Rural youth consists of 69 per cent<sup>[1]</sup> of the rural population. According to the BTI Transformation Index report (2020), youth unemployment remains high at 41.7 per cent. Young Mozambicans mainly find jobs in the informal sector or in subsistence agriculture. Unemployment is related to low education levels. Youth unemployment varies by geographic location with roughly 8 per cent unemployment in rural areas and 36 per cent in urban areas, but these figures mask a high underemployment rate (80 per cent). Young women suffer from the highest level of unemployment, a situation reinforced by their underrepresentation in socioeconomic and political structures<sup>[2]</sup>.
  2. Based on the most recent Household Income Survey (IOF), the percentage of the population aged 5-24 who did not attend school is 27.6 per cent. This percentage is higher in the provinces of Cabo Delgado (30.9 per cent), Niassa (30.5 per cent), Tete (29.9 per cent) and Nampula (29.7 per cent). The reasons for non-attendance are lack of interest for 27.0 per cent (52.8 per cent in Niassa Province). Marriage is also one of the causes for non-attendance of school. Data report that 20.8 per cent of the population aged 5-24 currently do not attend school because they are married (IOF 2019/2020).
  3. Among other challenges constraining rural youth: limited access to land; inadequate access to financial services; limited access to markets; limited involvement in policy dialogue.
  4. In Cabo Delgado, the youth are disproportionately affected by the conflict. Factors such as unemployment, disruptions to education and an economy that offers little in terms of job prospects make the youth particularly at risk of being recruited by extremists. Limited channels for engagement with the government and the absence of formalised structures for youth contribute to the problem. The role of youth in conflict situations has been widely touted by the United Nations in Youth, Peace and Security resolutions 2250 (2015), 2419 (2018) and 2535 (2020). The African Union (AU) has also developed a Continental Framework for Youth, Peace and Security (YPS) as well as a 10-year implementation plan (2020 – 2029). However, these plans have not been domesticated at sub-regional (SADC) level and at national level.
34. <sup>[1]</sup> UNCDF Youth Start Global: Youth Economic Opportunity Ecosystem Analysis, 2015,[link](#)
35. <sup>[2]</sup> BTI Transformation Index report, Mozambique, 2020[link](#)

#### **d. Indigenous peoples**

36. No indigenous people found.

#### **e. Marginalised groups**

37. **Vulnerable and marginalised groups.** The most vulnerable groups in Mozambique are people with less assets like land, less support from family members, low economic diversification and occasional employment, often female-headed households, adolescent girls and women, children and elderly and also Persons with disabilities. Female-headed households are more likely to work in agriculture, have less secure access to land, to be self-employed in the informal sector, and to have less formal education. Women and girls from IDPs are particularly disadvantaged and at risk.
38. Gender Based Violence (GBV) is a major protection concern in the displacement context of Cabo Delgado. Displaced women and girls are at risk of multiple forms of GBV including sexual violence, sexual exploitation and abuse, abduction, intimate partner violence, and spiralling rates of child marriage. Sexual violence whilst collecting water and firewood, sexual and physical assault in homes due to inadequate shelter, and risks of GBV perpetrated by armed actors were identified as key concerns by UNHCR<sup>[1]</sup>. Adolescent girls are at heightened risk of GBV and have been identified as the most vulnerable group.
39. There are groups in society that are more likely to be marginalised, and hence have even more difficulties in benefitting from opportunities: LGBTQI persons, persons with HIV/AIDS, persons in prostitution, persons with drug abuse, the mentally ill, and people with disabilities (PWD). People living in central and northern parts of the country, women, and vulnerable and marginalised groups are more affected by environmental degradation and disasters.
40. **HIV affected people:** around 11.5 per cent of the population is living with HIV, one of the highest incidences in the world. Women of all ages are disproportionately affected by HIV, but adolescent girls and young women aged 15-24 are particularly vulnerable to infection, with a 9.8 per cent prevalence rate compared to the 3.2 per cent of their male peers. Amongst people living with HIV, only 56 per cent accessed antiretroviral treatment<sup>[2]</sup>.
41. **Persons with Disabilities:** Mozambique's most recent population census, conducted in 2017, estimated that 2.6 per cent (or 727,620 out of 28.6 million people) live with a disability. Young people, who remain outside the training courses and consequently the labour market, represent the group at greatest risk of social and economic exclusion. The Vocational Training Centres (VTCs) of the Country are often unable to guarantee access to courses for boys and girls with disabilities: in many cases, the facilities are not suitable for students with physical disabilities and dedicated resources and staff are scarce. Given the difficulty in accessing training, young people living in this condition find it more difficult than others to enter the labour market according to official data, between 2013 and 2015 46,200 jobs were created in Mozambique, of which just 1,576 were assigned to people with some kind of disability.
42. In conflict affected areas, women and girls with disabilities are especially vulnerable to wider access to services gaps. The Disability Inclusive Rapid Gender Analysis (DIRGA) conducted in Cabo Delgado<sup>[3]</sup> reports the significant challenges faced by women and girls with disabilities that are affected by conflicts, limited access to sexual and reproductive health services (SRHS), mental health and psychosocial support services, and child-friendly spaces.
43. <sup>[1]</sup> UNHCR, Gender based violence (GBV) response, 2022, [link](#)
44. <sup>[2]</sup> WFP, Mozambique Country Brief, 2021
45. <sup>[3]</sup> Disability Inclusive Rapid Gender Analysis in Cabo Delgado, 2021 [link](#)

## f. Nutrition

46. **Nutrition:** Malnutrition in childhood and pregnancy has many adverse consequences for child survival and long-term well-being. Malnutrition, which affects 43 per cent of children under five, with peaks of 46 per cent in rural areas. The consequences of malnutrition is a significant concern for Mozambique where 6 per cent of children under-five are acutely malnourished and 37.5 per cent of children under five are stunted (which is higher than the average for the Africa region at 30.7 per cent). About 3.9 per cent of children under 5 years of age are affected by wasting which is lower than the average for the Africa region (6.0 per cent). The prevalence of overweight children under 5 years of age is 4.6 per cent. Furthermore, 12.4 per cent of adult (aged 18 years and over) women and 4.0 per cent of adult men are living with obesity. Mozambique's obesity prevalence is lower than the regional average of 20.8 per cent for women and 9.2 per cent for men. At the same time, diabetes is estimated to affect 7.1 per cent of adult women and 7.7 per cent of adult men<sup>[1]</sup>.
47. Poor diet quality that is not diverse enough in terms of fats, high quality protein and micronutrients, resulting in insufficient micronutrient intake has contributed to high levels of child stunting. In the rural areas in the northern part, which also has the highest levels of stunting—households consume mostly maize with additional food groups, such as oils/fats and green leafy vegetables consumed as infrequently as 2–3 days per week. Poor diet has also contributed to high levels of micronutrient deficiencies, such as anaemia, which affects 69 per cent of children under five years and 47.9 per cent of women of reproductive age. Inadequate infant and young child caring and feeding practices also contribute to the high prevalence of undernutrition.
48. In Mozambique, malnutrition rates become progressively higher from south to north. Stunting is over 50 per cent in the northern provinces of Nampula and Cabo Delgado, while it is lower than 30 per cent in the provinces of Maputo and Gaza<sup>[2]</sup>. Six out of Mozambique's 11 provinces have a very high level of stunting among children under-five. Differences in stunting levels can also be seen according to maternal education and wealth levels; stunting ranges from 27 per cent among children whose mothers and or caregivers have a secondary education or higher to 47 per cent among those whose mothers and or caregivers have no education. Similarly, 24 per cent of children in the highest wealth quintile are stunted, while 51 per cent of children in the lowest wealth quintile are stunted. The associations between stunting with wealthy quintiles helps demonstrate that high poverty is an important factor, but there are other factors contributing to these poor nutrition outcomes in Mozambique. Inadequate quality and quantity of food consumption among children, adolescent girls, pregnant and lactating mothers, including poor infant and young child feeding and caring practices, limited knowledge of nutrition and about balanced diets are contributing factors to acute malnutrition.
49. Affordability of diversified diet is a major issue that is associated with low income, limited employment opportunities, and high price of food. Around 80 per cent of households in Mozambique are not able to purchase a nutritious diet that meets minimum nutrient needs<sup>24</sup>. In addition, knowledge of what constitutes a healthy diet is limited. Many households in rural areas have limited understanding of dietary needs of young children, adolescent girls, pregnant and lactating mothers, and they have limited exposures to different recipes or cooking techniques using locally produced and or available foods.
50. <sup>[1]</sup> Global Nutrition Report, Mozambique, 2022<sup>link</sup>
51. <sup>[2]</sup> World Bank, Nutrition Smart Agriculture Country profile, Mozambique, 2020<sup>link</sup>

## 2.2 Environment and climate context, trends and implications

52. **Geographical location** -Geographically, Mozambique covers an area of over 800,000 sq. km<sup>[1]</sup>. Situated to the south east of the African continent, it shares borders with six other countries, Tanzania, Malawi and Zambia to the north, Zimbabwe to the west, South Africa and Swaziland to the south. The 2,500 km long coastline boasts numerous superb beaches fringed by lagoons, coral reefs and strings of small islands. The Geography of Mozambique appraises a vast, low, grassland plateau, which rises from the coast towards the mountains in the north, and west covers nearly half the country's land area. The population is concentrated along the coast and the fertile river valleys. The Zambezi is the largest of the country's 25 rivers.
53. **Biodiversity:** Mozambique has a remarkable abundance of natural resources and biodiversity that are vital pillars for the country's development. The Mozambican population depends on biodiversity and ecosystem services for their livelihoods and depends on these resources to ensure their social, environmental, and economic well-being. However, continued over-exploitation of biodiversity and habitat loss, accelerated by shifting agriculture, pollution, along with the introduction of exotic species and the effects of climate change has led to degradation of the country's unique species and ecosystems.
54. By 2021, 29 Key Biodiversity Areas (KBAs) have been identified and delineated, covering a total area of about 139,947.05 km<sup>2</sup> with 25 (86 per cent) covering an area of 134,019.16 km<sup>2</sup> on land and 4 (14 per cent) covering 5,927.89 km<sup>2</sup> in the marine environment. The terrestrial KBAs covers (17percent) of Mozambique's continental territory and the maritime 1percent of the country is Exclusive Economic Zone (ZEE).
55. The coastline is about 2770 km long and is characterized by a diversity of habitats including sandy beaches, coastal dunes, estuaries, bays, terrestrial forests, mangroves, seagrass beds and coral reefs. The forest ecosystems consisting of native forests and woodlands cover about 43percent of the total area of Mozambique, of which 67percent are semi-deciduous forests, 20percent evergreen forests, mangrove forests account for about 1percent and other forest types make up 12percent of forest habitats. New terrestrial and marine species continue to be discovered in Mozambique, with a focus on bats, birds, reptiles, amphibians, mammals, slugs, and macro-algae.
56. **Fishery resources:** Mozambique has an abundance of blue economy resources (coastal, marine, fisheries, aquaculture). The blue economy contributes to about 4percent of the GDP. Increase in sea level is expected to contribute to erosion and flooding of coastal ecosystems and land. In freshwater ecosystems, salt-water intrusion is likely to lead to losses in fish populations, poor water quality, and destruction of fishing infrastructure and equipment. Human induced challenges include overfishing and overstocking, depletion of mangroves, illegal fishing, poor water quality and quantity management, pollution, lack of clear biophysical guidelines on development of inland aquaculture, and limited capacity to implement existing laws and regulations<sup>[1]</sup>
57. <sup>[1]</sup> FAO (2019). Fishery and Aquaculture Country Profiles. Mozambique (2019). Country Profile Fact Sheets. In: FAO Fisheries and Aquaculture Department [online].

#### a. Environmental assessment

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63. **Extreme weather events.** Mozambique has a high vulnerability (0.517 vulnerability score on the ND-Gain Matrix) to severe droughts, cyclones, and floods particularly in the southern and central provinces. Around 60per cent of Mozambique's population lives along the coastline, exposing them to climate-related hazards such as tropical cyclones, recurring droughts, coastal and inland flooding. In 2019, Cyclones Idai and Kenneth caused severe floods resulting in US\$3 billion worth of losses and damages. In 2021 cyclone Eloise affected over 400 000 people and in 2022 over 200 000 people were affected by 3 natural disasters during the cyclonic season<sup>[4][5]</sup>. El Niño-related drought events have historically occurred every 3 to 4 years in Mozambique, primarily in the central and southern regions.
64. The combined impacts of floods, droughts, cyclones, food insecurity, conflicts in the North etc. have to date increased the vulnerability of about 8 million people (e.g. in Sofala, Manica, Tete, and Zambezia, Cabo Delgado, Maputo, Gaza, and Inhambane). In 2021, the global index for risk management ranked Mozambique 10<sup>th</sup> in exposure to natural and human hazards, and very highly in lack of adaptive capacities. The country integrated context analysis (ICA) conducted by WFP in 2017 revealed that high food insecure risk regions are mainly located in arid and semi-arid provinces of central and southern parts – Tete, Sofala, Manica, and Inhambane provinces<sup>[6]</sup>.
65. <sup>[1]</sup>[Facts of Mozambique - History, Climate, Geography](#)
66. <sup>[2]</sup><https://wildlifeconservationsociety.medium.com/mozambique-leading-the-way-on-the-identification-of-key-biodiversity-areas-efcfaa6c7d31>
67. <sup>[3]</sup> FAO (2019). Fishery and Aquaculture Country Profiles. Mozambique (2019). Country Profile Fact Sheets. In: FAO Fisheries and Aquaculture Department [online].
68. <sup>[4]</sup> EMDAT (2021) <https://www.emdat.be/node/17218>
69. <sup>[5]</sup> OCHA Reliefweb (2022) <https://reliefweb.int/disaster/tc-2022-000184-moz>
70. <sup>[6]</sup> African Development Bank (2021). Climate Investment Funds- PPCR Business Development for Resilience Program. AfDB.

## b. Climate trends and impacts

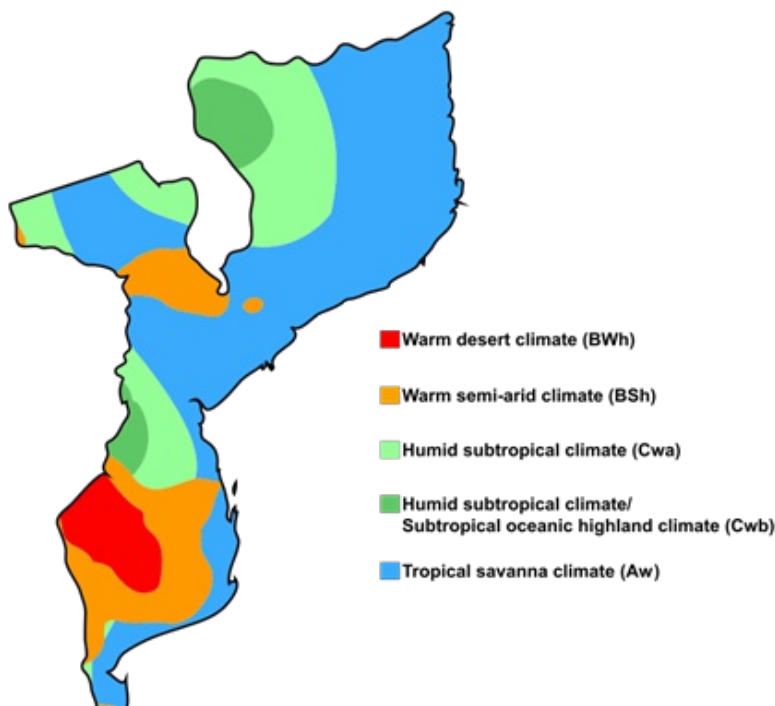
71. **Climate change.** Mozambique ranks third among African countries most exposed to multiple extreme weather events, natural disasters and the impacts of climate change. These include droughts, floods, cyclones, heat waves, etc. The country ranks 10<sup>th</sup> globally in exposure to natural disasters and extreme weather events. Mozambique's high vulnerability is exacerbated by its



geographic location and terrain due to its long coastline, extensive land area below sea level, and the confluence of many transnational rivers into the Indian Ocean<sup>[1]</sup>. High poverty levels, overreliance on rainfed agriculture, human induced forest and land degradation, low adaptive capacities and weak early warning systems further aggravate the situation.

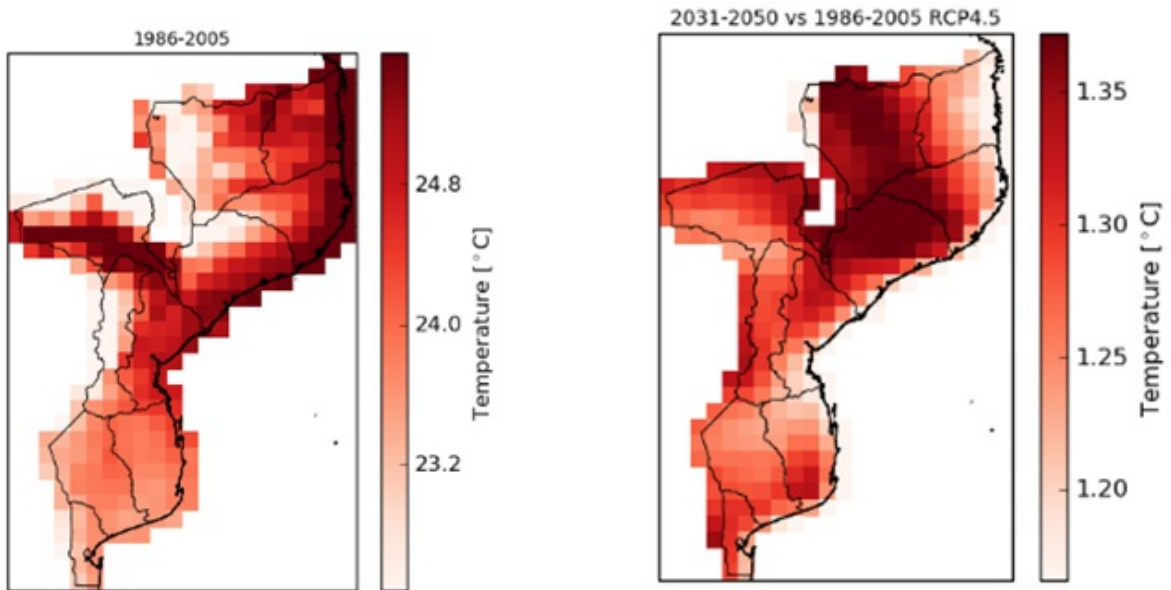
72. Climate change, natural disasters and extreme weather will continue to devastate livelihoods, food security and well-being of rural populations if action is not taken. Mozambique seeks to promote a low carbon development pathway powered by a green economy and to enhance resilience building among communities. In 2020, Mozambique submitted its updated Nationally Determined Contributions (NDCs) to the United Nations Framework Convention on Climate Change (UNFCCC)<sup>[2]</sup>. The NDCs seek to reduce 40 million tCO<sub>2</sub>eq of greenhouse gas emissions between 2020 and 2025 through mitigation measures such as renewable energy, low carbon agricultural practices and scaling up Reduction of Emissions from Deforestation and Degradation (REDD+). Adaptation measures in agriculture also feature in the NDCs and focus on resilience building, strengthening the early warning system and increasing the adaptive capacities of vulnerable people among others.

Mozambique map of Köppen climate classification



73. **Climate trends.** The average rainfall has decreased by 3.1 per cent (2.5mm per month) per decade since the 1960s, according to historical trends<sup>[3]</sup>. Rainfall varies by region, with Northern provinces (e.g., Cabo Delgado, Niassa, Nampula, and Zambezia) receiving more (over 2000mm). The Central regions have high rainfall variability, while the South has persistent droughts and floods. The rainy season lasts from October to May, with the most rain falling between November and May Southern provinces, primarily Maputo, Gaza, and Inhambane, have lower rainfall, with the lowest being around 500mm.
74. Mozambique's mean annual temperatures range from 25 to 30 °C in summer and 15 to 21 °C in winter, with extreme summer temperatures exceeding 40°C in some areas<sup>[4]</sup>. Since 1960, average temperatures in the United States have risen by 0.9°C (0.150.16 per cent per decade). Increases in maximum temperature are most noticeable from October to November and February to March, with increases more noticeable in the country's west and south, such as Inhambane, Gaza, and Maputo<sup>[5]</sup>. Floods and cyclones are more common in the country's center, followed by the north and south, while droughts are more common in the south.<sup>[6]</sup>
75. Overall, over the past 30 years, the intensity and frequency of droughts, floods and cyclones has increased. Between the years 1956-2023, the country experienced 11 droughts, 24 floods, 23 tropical cyclones, 20 epidemics and 2 earthquakes<sup>[7]</sup>. The two Category 4 cyclones that hit Mozambique in March (Idai) and April (Kenneth) 2019, as well as the floods in Cabo Delgado, Zambezia, Tete, Sofala and Manica Provinces in December 2019 and January 2020 affected approximately 150,000 people, including smallholder farmers. Tropical cyclone Freddy affected over 230 000 people in southern and northern Mozambique before a second landfall<sup>[8]</sup>. These disasters also lead to extensive crop and livestock losses, including destruction of property and infrastructure in rural areas. Future projections show that the country will continue facing increasingly stronger and frequent extreme weather events with devastating impacts to the economy, food security and livelihoods of people<sup>[9]</sup>
76. **Climate projections. Temperature** According to projections, the average temperature in all provinces of Mozambique will rise annually. Temperatures are expected to rise by at least 1.45° Celsius by 2050, with increases of 2.0-2.1° Celsius from October to December compared to the historical average. Landlocked regions of the country will warm faster, while coastal areas will see less temperature variation. Droughts and the frequency and intensity of extreme heat days are also expected to increase.

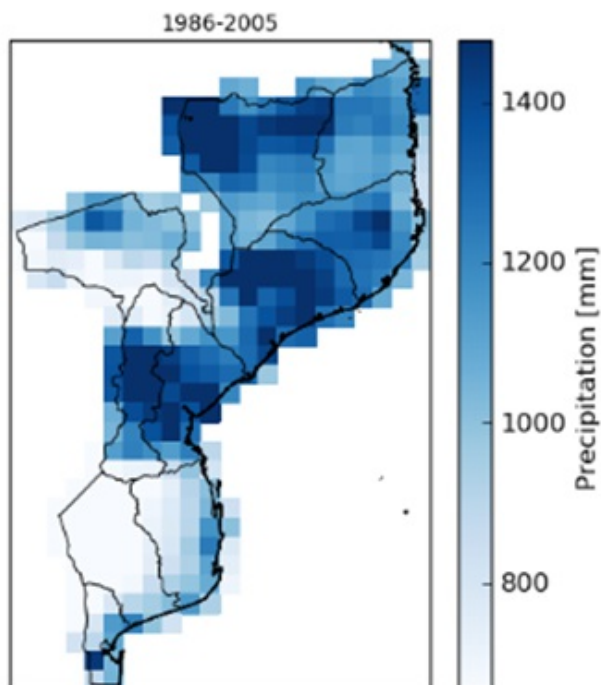
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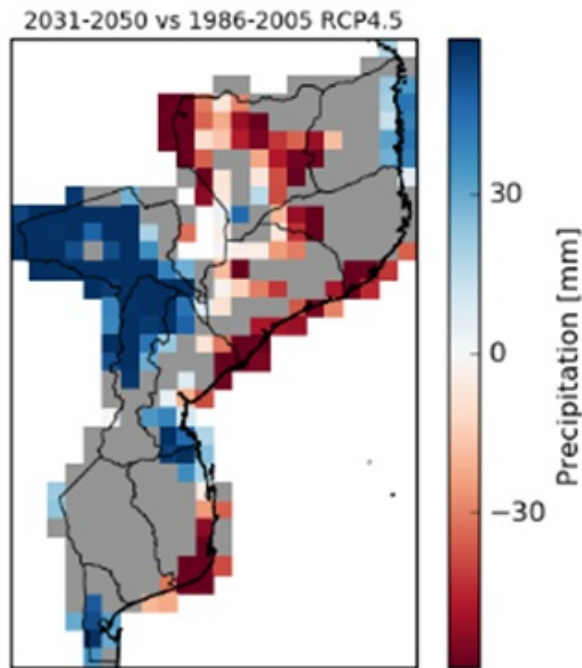


78. Figure 2. a) Temperature over the reference period 1986-2005. b) Projected change in Temperature for 2021-2030 compared to the reference period 1986-2005.

79. **Precipitation projections** show that by 2050, mean monthly precipitation and total annual precipitation will be reduced in all provinces, and total rainfall at the start of the rainy season in October, November, and December will be reduced from 24 to 11.5 mm/month, 67 to 45 mm/month, and 162 to 140 mm/month, respectively. These trends may indicate the possibility of delayed rainy seasons or shorter rain durations compared to historical trends, with a projected overall reduction of 131 mm of rainfall between the historical and future scenarios. The frequency of days with heavy rainfall is also expected to increase, resulting in more floods. Models also show that the frequency of tropical cyclones will decrease, but their intensity will increase [\[10\]](#).

80.





81. Figure 3. a) Precipitation sum over the reference period 1986-2005. b) Projected change in precipitation for 2021-2030 compared to the reference period 1986-2005.
82. [1] Dutch Sustainability Unit (2015). Climate Change Profile - Mozambique. Netherlands Commission for Environmental Assessment.
83. [2][https://unfccc.int/sites/default/files/NDC/2022-06/NDC\\_EN\\_Final.pdf](https://unfccc.int/sites/default/files/NDC/2022-06/NDC_EN_Final.pdf)
84. [3] USAID (2012). Mozambique Climate Vulnerability Profile. [https://www.climatelinks.org/sites/default/files/asset/document/mozambique\\_climate\\_vulnerability\\_profile\\_jan2013.pdf](https://www.climatelinks.org/sites/default/files/asset/document/mozambique_climate_vulnerability_profile_jan2013.pdf)
85. [4] Mavume, A.F.; Banze, B.E.; Macie, O.A.; Queface, A.J. (2021). Analysis of Climate Change Projections for Mozambique under the Representative Concentration Pathways. Atmosphere 2021, 12, 588. <https://doi.org/10.3390/atmos12050588>
86. [5] WFP and IFAD (2018). Mozambique: a climate analysis. <https://docs.wfp.org/api/documents/WFP-0000108186/download/>
87. [6] World Bank (2011). Climate risk and adaptation country profile, Mozambique. [https://climateknowledgeportal.worldbank.org/sites/default/files/2020-04/wb\\_gfdr climate change country profile for MOZ\\_0.pdf](https://climateknowledgeportal.worldbank.org/sites/default/files/2020-04/wb_gfdr climate change country profile for MOZ_0.pdf)
88. [7] African Development Bank (2021). Climate Investment Funds- PPCR Business Development for Resilience Program. AfDB.
89. [8] OCHA Reliefweb (2023). MOZAMBIQUE – SEVERE TROPICAL STORM FREDDY - Flash Update No. 8 <https://reliefweb.int/report/mozambique/mozambique-severe-tropical-storm-freddy-flash-update-no8-11-march-2023>
90. [9] OCHA Reliefweb (2022) Climate Change Profile: Mozambique <https://reliefweb.int/report/mozambique/climate-change-profile-mozambique>
91. [10] University of Capetown (2019). Climate risk assessment for the agriculture sector in Mozambique. African Climate & Development Initiative Climate System Analysis Group Environmental Policy Research Unit. Funded by IFAD.

### c. Climate change mitigation

92. PROPEIXE will invest in climate adaptation and resilience initiatives that also contribute to climate change mitigation including: (i) climate information and EWS; (ii) weather insurance; (iii) climate proofed infrastructure; (iv) integrate climate considerations into the process of livelihood diversification; (v) promotion of renewable energy sources along value chain; and (vi) introduction of carbon accounting and carbon markets. These measures will have an impact on both CC adaptation and on CC mitigation, by reducing both direct and indirect GHG emissions. A carbon analysis of the project using the FAO EXACT tool will be conducted as part of the start phase. A targeted adaptation assessment comprising prioritized adaptation measures has been developed and incorporated into the programme components.

## 2.3 Target group profiles

93. **Target Group:** The artisanal fisheries interventions will cover fishing communities along the coastline, targeting mainly households who are poor and on the fringes of the market economy, with high vulnerability due to the impact of climate change. The main target group consists of small-scale fishers engaged in artisanal fishery (production level) and other sector along the value chain (e.g. processing, marketing and service provision) deriving most of their income from fish production and post-production at different scale, from subsistence to market oriented. The project will also target community organizations and businesses including transformation drivers. In addition, the project will have a focus to target specific vulnerable groups such as women, youth, Persons with disability (PWD) and Internally Displaced People (IDPs).
94. **Geographic targeting and criteria:** The geographic area covers five provinces: Inhambane, Sofala, Zambézia, Nampula and Cabo Delgado and a total number of 21 districts. The provinces, districts, and fishing growth poles have been selected based on the following criteria: (i) conditions and potential of fishing resources (including data on number of fishers; percentage of production; number of boats and gears)<sup>[1]</sup>; (ii) socio-economic (poverty and food insecurity rates)<sup>[2]</sup>; Habitats diversity and environmental challenges (highly affected ecosystems)<sup>[3]</sup>; (v) areas most affected by climatic shocks<sup>[4]</sup>. Other elements taken into account were proximity for project implementation and presence of other interventions to create synergies and maximise the impact.
95. **Target areas:** From a poverty and food insecurity perspective, the target areas present poverty percentage above 40 per cent (with Sofala 44.2 and Nampula 57.1) based on the 2016 available data<sup>[5]</sup>. Most recent data based on the Integrated Food Security phase classification (IPC) present overall the following per centage of acute food insecurity (November 2022)<sup>[6]</sup>: Cabo Delgado 26per cent of the population, Inhamabane 7per cent; Nampula 14 per cent; Sofala 7 per cent and Zambezia 8 per cent. Targeted districts have different percentages of population above IPC-3 (acute food insecurity): in Cabo Delgado above 49per cent; Inhambane between 5-15 per cent Nampula between 10-30 per cent; Sofala 5-13 per cent, Zambezia 5-20 per cent.

96. In the districts classified in IPC Phase 3 (Acute) or 4 (Crisis or Emergency), the main contributing factors to the acute food insecurity observed in the period analysed were the occurrence of cyclones and strong winds – including tropical storm Ana in the provinces of Zambezia (affecting 32 per cent of the population), Nampula (11 per cent) and cyclone Gombe in the provinces of Nampula (54 per cent) and Zambezia (17 per cent).

97. According to IOM/DTM Mobility Tracking Assessment (November 2022), an estimated 935,130 IDPs were identified in Cabo Delgado, 89,016 in Nampula and 4,597 in Niassa. Women and children account for 80 per cent of the total displaced population. The people in need (based on Humanitarian response) in 2023 includes 976,000 people displaced by the conflict, some 400,000 people in host communities and 170,000 people who had returned to their home districts in the course of 2022.

98. **Table 1 IDPS Population**

Country	Area (District PROPEIXE)	# Population Total	Population targeted districts	IDPs <sup>[8]</sup>	Phase 3 per cent	Phase 4 per cent	Phase 3 + per cent		
<b>Mozambique: Acute Food Insecurity November 2022</b>					<b>2.748.872</b>	<b>9</b>	<b>397.551</b>	<b>3.146.423</b>	<b>10</b>
<b>Cabo Delgado</b>		<b>2.744.822</b>	<b>465.255</b>	<b>935.130</b>	<b>538.273</b>	<b>20</b>	<b>152.127</b>	<b>690.400</b>	<b>26</b>
	Cidade de pemba	251.759		220,835	97.348	39	24.004	121.352	49
	Metuge	86.866		141.642	65.752	40	24.030	89.782	55
	Quissinga	57.134		7.298					
	Mocimaba. Praia	69.496		73.349					
<b>Inhambane</b>		<b>1.581.113</b>	<b>266.752</b>	<b>-</b>	<b>101.933</b>	<b>6</b>	<b>22.532</b>	<b>124.465</b>	<b>7</b>
	Govuro	37.972			3.797	10	1.898	5.695	15
	Inhassoro	61.699			3.084	5	0	3.084	5
	Vilankulo	167.081			8.354	5	0	8.354	5
<b>Nampula</b>		<b>6.599.812</b>	<b>1.482.481</b>	<b>89.016</b>	<b>798.034</b>	<b>12</b>	<b>110.125</b>	<b>908.159</b>	<b>14</b>
	Angoche	420.569		35	105.142	25	21.028	126.170	30
	Ilha de M.	83.977		364	16.795	20	0	16.795	20
	Memba	384.984		8.668	38.498	10	7.699	46.197	12
	Moma	384.612			38.461	10	11.538	49.999	13

	Mossuril	208.339		2.370	20.833	10	0	0	20.833	10
<b>Sofala</b>		<b>2.651.029</b>	<b>324.201</b>	-	<b>164.316</b>	<b>6</b>	<b>9.405</b>	<b>0</b>	<b>173.721</b>	<b>7</b>
	Buzi	212.275			10.613	5	0	0	10.613	5
	Machanga	66.461			3.323	5	0	0	3.323	5
	Muanza	45.465			4.546	10	1.363	3p	5.909	13
<b>Zambezia</b>		<b>5.959.123</b>	<b>1.090.105</b>	-	<b>464.539</b>	<b>8</b>	<b>23.580</b>	<b>0</b>	<b>488.119</b>	<b>8</b>
	Chinde	103.313			5.165	5	0	0	5.165	5
	Maganja da costa	173.883			34.776	20	0	0	34.776	20
	Mocubela	144.490			0	0	0	0	0	0
	Pebane	246.575			12.328	5	0	0	12.328	5
	Quelimane	421.844			21.092	5	0	0	21.092	5

99. The target groups consist of small-scale **artisanal fishers, fish processors and traders** (including small boat owners, crewmembers, intertidal collectors, fish processors, fish marketers, distributors etc.) Directly engaged along the VC (production and post-harvest) that will be engaged either as individuals or as business oriented groups/SMEs. This primary target group includes households engaged in the fisheries sector from different socioeconomic levels and along different nodes of the value chain. This includes households owning assets with access to market and credit and the more vulnerable, which represent the majority.

100. Typically, small-scale artisanal fishers (including also intertidal collectors) are economically active poor unable to cope with negative shocks (e.g. economic, climatic and environmental) and are at risk to fall into poverty. They are characterised by low limited access to assets and technologies, weak capacity to organise in groups/associations and using relatively small amount of capital and energy, inefficient technologies and making short fishing trips close to shore (putting pressure on the marine ecosystem).

101. **Vulnerable households in coastal communities** not directly engaged in fishing, but interested to engage in economic activities along selected links of the fisheries value chain or develop alternative income generating activities (IGAs) including from conservation activities. The Target group includes households facing different degrees of poverty and vulnerability. It includes: (i) unemployed youth interested in establishing business enterprises to respond to market demand for fishery products and services, e.g. boat building/repairs, boat engine repairs, making/mending nets, outlets for fishing inputs, ice making, fish distribution etc; (ii) women and women-headed households who are directly involved in fish processing/selling and other income generating activities such as food businesses (iii) vulnerable and marginalised groups such as youth, Persons with Disabilities (PWD) and also Internally Displaced People (IDPs) ranking among the most vulnerable and interested to get skills required for improving opportunities of job placement (short and long term). Furthermore, considering the high level of malnutrition and poor dietary diversity among fisher communities another specific target group will be women head of households and women with children under five.

102. Within this target group category it is expected that majority of target beneficiaries in selected districts of Cabo Delgado and Nampula will be from IDPs and activities able to reach approximately 9,000 IDPs beneficiaries (or 2 per cent of IDPs registered in the targeted districts. Youth category it is expected to be 20 per cent and the majority women.

103. **Targeting strategy:** The programme will apply a combination of geographic targeting (as explained above) and self-targeting and direct targeting methods for selection of the most vulnerable. PROPIEIXE will promote services in line with the needs of all target groups. Furthermore, specific activities are directed to specific disadvantaged categories (women, youth and IDPs). The robustness of the target strategy relies on a strong mobilisation and consultation process to be conducted at the beginning of the operations. Furthermore, a dedicated Social inclusion (SI) Specialist will be part of the PMU to ensure proper implementation of the targeting approach.

104. **Self-targeting:** The programme will mainly work with men and women from fisher communities organised in groups (including CCPs, Market Associations and PCR) and composed of members engaged in fishery activities with diverse socio-economic backgrounds (poor and near poor or better off) gender and age groups. The project will ensure the participation of the more marginal rural households (and IDPs for specific activities), whilst being inclusive of so-called "better-off" in order to leverage on their stronger capacity and have a pull effect on the entire group. Group composition will be driven by self-targeting principles ensuring proper mobilisation of women and youth and their representation in decision-making roles (30 per cent women and 20 per cent youth in decision making of committees in CCPs, and also Fishery management and other associations).
105. **Direct Targeting:** Direct targeted activities and promotion of participation will be designed for specific groups, especially the most vulnerable ones and also women and youth. While women and youth are expected to participate overall on a 50per cent and 40per cent basis and benefit from project services on equal basis, specific activities will be targeted to them as the primary target group. Activities will include the provision of (i) livelihood training and packages/ dedicated grants (ii) technical support to set up small IGA (iii) skills and enterprise development for youth (including quotas for IDPs); (iv) finance literacy and access to PCR; and (v) Nutrition education. Dedicated Nutrition interventions will be considered for the most vulnerable focusing on about 12.000 women beneficiaries from: (i) households that are food insecure and nutritionally vulnerable and have at least one child under the age of five years; (ii) Households with a malnourished mother; (iii) Women-headed households and iv) vulnerable households with pregnant and lactating women.
106. **IDPs Targeting:** Selection of households from IDPs within targeted areas in the North (Cabo Delgado and Nampula) will consider e.g. social protection registries, as well as community-based targeting process to select beneficiaries. This will be adapted to prioritize those households most at risk of climate change, as well as households that are likely to be poorer and more food insecure (e.g. large households, women-headed, those with children).
107. Collaboration and coordination with other humanitarian and development agencies will be put in place, in line with UN Coordinating response in the North of Mozambique and to enhance a harmonised targeting approach. To mitigate this risk (including conflict with host communities) the selection criteria will be clearly defined in close collaboration with stakeholders and potential beneficiaries and duly communicated during the community engagement process. When working with IDPs in host communities, the project will ensure equal inclusion of both and proper mechanisms to minimise potential conflicts.
108. Social Inclusion and engagement with PwD: In line with poverty focus and social inclusion, attention will be given to households with the highest level of poverty and food insecurity, IDPs, women headed households and families with members with disabilities and persons with disabilities (PwD). The project will also make extra effort to identify suitable activities to directly involve persons with disabilities (PwD) as part of income generation and to engage youth from IDPs for skills development and job creation. The disability inclusion strategy will consider lessons from the "Sparking Disability Inclusive Rural Transformation" SPARK project and will: (i) train Disability Inclusion Facilitators (DIF); (ii) mobilise PwD to become fully engaged in the economic activities of selected value chains; (iii) awareness raising among community and stakeholders. Specific consultation with PwD will take place to ensure their views and aspirations are captured, especially for the design of IGA trainings. This consultation will also take into account development of technologies that can support PwD engage in on-farm and off-farm activities.
109. [1] Preliminary fishery artisanal census results (IDEPA).
110. [2] Data from the statistic institute INE (last available 2016) and IPC publication (2022);
111. [3] Information provided by the Oceanographic Institute of Mozambique (INOM) on conservation status of coral reef, mangrove forest among others.
112. [4] on the basis of data and information (quantitative and qualitative) a ranking exercise has been conducted during the design process to properly weight variables and identify priority districts for project intervention
113. [5] Ministry of Finance and Economy: fourth national assessment of Poverty and well-being in Mozambique, 2016 ( based on family income survey IOF 2014-2015)[link](#)
114. [6][link](#) to IPC report
31. **Institutional analysis** targeted districts (95% Cabo Delgado and 6% Nampula).
116. **The Ministry of Land and Environment (MITA)** is in charge of putting government policies on land, forests, climate change, wildlife, environmental management, conservation areas, and rural development into action. MITA also develops and implements guidelines and procedures for environmental impact assessments and development project licensing. MITA also houses the focal points for the GEF and the Adaptation Fund, who are critical in forming partnerships to mobilize supplementary funds.
117. **The Ministry of Mineral Resources and Energy (MIREME)** (electricity, fuels and renewable energy) oversee energy production and distribution.
118. **The Mozambique National Institute of Meteorology (INAM)** monitors and forecasts the weather and climate. At the national, provincial, and district levels, the **Mozambique National Institute of Disaster Management (INGC)** coordinates disaster risk management, emergencies, disaster prevention, and early warning systems. It has three emergency response centres to deal with cyclones, droughts, and floods. **The Ministry of Economy and Finance-National Directorate of Monitoring and Evaluation** houses the Nationally Designated Authority for the GCF.
119. **National policies, strategies and regulatory frameworks relevant for Environment and Climate.**

120. Mozambique developed the National Climate Change Strategy and strengthened the Inter-Institutional Group on Climate Change, a representative committee of the public and private sectors, civil society, and academia. MITADER has established a climate change unit to assist the Ministry in the planning and implementation of activities that contribute to the agricultural sectors coping and dealing with climate shocks. The Agriculture Technical Analytical Network (TAN) of Mozambique, also known as the Local Technical Analytical Network (LTAN), was established. Its goal is to provide technical analysis support and capability building to the Mozambique Strategic Analysis and Knowledge Support Systems (MOZAKSS) Node, the Ministry of Agriculture and Rural Development, and the agriculture sector as a whole.
121. Mozambique has a number of policies, strategies, and action plans in place to deal with climate change and natural disasters. The National Climate Change Adaptation and Mitigation Strategy (2013-2025), the National Adaptation Plan (NAP) Roadmap (2020-2025), and the Master Plan for Risk and Disaster Reduction are among them (2017-2030). The ENMC articulates a set of strategic actions that will help ensure a more prosperous, resilient, and sustainable future.
122. The National Climate Change Adaptation and Mitigation Strategy (NCCAMS) identifies adaptation and climate risk reduction as a national priority and presents eight strategic actions aimed at creating resilience and reducing climate risk in communities, ecosystems, and the national economy. The eight strategic actions aim to reduce climate risk, water resources, agriculture, fisheries, food security and nutrition (SAN), social protection, health, biodiversity, forests, and infrastructure. The country intends to update its National Adaptation Plan (NAP) in the medium (2020-2025) and long (2026-2030) terms. As a result, from 2020 to 2025, the country intends to increase provincial resilience and incorporate adaptation into provincial planning. Monitoring and evaluation: The Mozambican government has approved the National System for Monitoring and Evaluating Climate Change, which will be used for the measurement, reporting, and verification (MRV) of adaptation actions.
123. **Nationally Determined Contributions.** In 2020, the country submitted its updated Nationally Determined Contributions (NDCs) to the United Nations Framework Convention on Climate Change (UNFCCC). The NDCs aim to reduce 40 million tCO<sub>2</sub>eq of greenhouse gas emissions between 2020 and 2025 through mitigation measures such as renewable energy, low-carbon agricultural practices, and scaling up Reducing Emissions from Deforestation and Degradation (REDD+). Agricultural adaptation measures include resilience building in the agriculture, livestock, and fisheries sectors, as well as strengthening the early warning system, efficient water resource management, and increasing the adaptive capacities of vulnerable people. Land Degradation Neutrality (LDN). Mozambique committed to reverse forest and land degradation by 2030, as part of its UNCCD commitment in 2021, as well as to have 62 per cent of its energy be renewable within the same period.
124. **Convention on Biodiversity CBD.** Mozambique's National Biological Diversity Action Plan (NBSAP) (2015-2035) aims to reverse the degradation of biological diversity and ensure the sustainable use of biological resources. The plan aims to improve the long-term management of biological resources in agriculture, livestock, aquaculture, forestry, and wildlife. In addition, the plan aims to promote integrated management, conservation, benefit sharing, and the fair and equitable use of biological diversity. This will be accomplished through conservation investments, training, financing, and collaboration.
125. Mozambique is also a signatory to the Convention on International Trade in Endangered Species of Wild Flora and Fauna (CITES), and the Hyogo Framework for Action on Disaster Risk Reduction.
126. **Nutrition, Gender and Youth:** The following are the most important institutions and partners that need to be engaged and enhanced collaboration and coordination on nutrition which may be required:
- - National Council for Nutrition and Food Security (Conselho Nacional de Segurança Alimentar e Nutricional or CONSAN)
    - Ministries of Agriculture, Health, Education, Environment,
    - CCARDESA, USAID, GAIN, JICA, World Bank
    - WFP, UNICEF, FAO
127. Gender equality and women empowerment, including youth inclusion also depend on collaboration, coordination and partnership of multiple sectoral ministries, including different partner institutions. In particular, the following entities are important to engage:
1.
    - Ministry of Gender, Children, and Social Action (MGCAS)
    - Ministry of Education and Human Development (MINEDH)
    - The National Council for the Advancement of Women (CNAM)
    - Ministry of Youth and Sport (MJD)
    - Commission on Gender, Social and Environmental Affairs
    - Ministry of Health (MISAU)
    - Ministry of Land, Environment and Rural Development (MITADER)
    - Ministry of Labor, Employment and Social Security (MITESS)
    - USAID, World Bank
    - UNWOMEN, UNFPA, ILO
    - The national policies and strategies outline the importance of tackling poverty, food insecurity and malnutrition through the harmonized and integrated approach. The documents identify critical target groups, sets out strategic objectives, outlines specific interventions and key progress indicators, and identifies which institutions will assume primary responsibility for achieving results. The national priorities also ensure that rural smallholder have better access to technology, knowledge, productive assets, and are supported through different livelihoods interventions with special focus on creating decent employment, generating income, empowering young men and women. Mozambique's commitment to improving food security and nutrition is outlined in the following documents, which are aligned with the government's Agenda 2025:
      - National Development Strategy (Estratégia Nacional De Desenvolvimento [ENDE]) 2015–2035;
      - Government's Five-Year Plan (Plano Quinquenal do Governo [PQG]) 2020–2024;



- Multisectoral Action Plan for the Reduction of Chronic Undernutrition (PAMRDC) (2011);
- Agriculture Development Strategy (Plano Estratégico de Desenvolvimento do Sector Agrário [PEDSA]) 2011–2020 (currently under extension);
- Green Revolution Strategy (ERV);
- National Strategy for Food Security and Nutrition (ESAN III);
- National Plan for Food Security and Nutrition (PASAN II);
- Nutritional Rehabilitation Program (PRN);
- National Strategy for SBCC in the context of Nutrition;
- Mozambique's Multisectoral Action Plan for the Reduction of Chronic Undernutrition (PAMRDC).

128. The government has also instituted the National Development Policy (ENDE) and the National Youth Policy (NYP). ENDE places emphasis on developing the agriculture, fisheries, industrial diversification, infrastructure, extractive industry, and tourism sectors; it is aimed at stimulating overall economic growth, and thus benefits youth. The NYP focuses on expanding economic opportunities for youth through employment and entrepreneurship and as well as mainstreaming youth issues into government plans and policies.

129. Gender Policy for artisanal fishery (2009-2013) and a Gender Policy for the fishery sector (2015-2019) exist. They identify areas, key objectives and activities to support gender equality and women's empowerment in the sector. Both policies have not been renewed and it is recommended that PROPEIXE will provide support for the development of a sector gender policy.

130. **Disability:** Mozambique has adopted the main legislative instruments to protect the rights of people with disabilities, such as the United Nations International Convention on the Rights of Persons with Disabilities (UNCRPD), ratified in 2012. The Constitution of Mozambique dedicates two specific articles (37 and 125) to people with disabilities, and there is a National Policy on people with disabilities established in 1999, which protects, among others, the right to integration in the family and in the community, as well as the right to education, work and social protection. Finally, Decree 53 of 2008 establishes the devices to allow the accessibility and mobility of people with disabilities in public places. There is a plurality of tools to protect people with disabilities, together with the commitments undertaken by Mozambique at an international level, e.g. the UN 2030 Agenda.

#### 4. Environmental and social category

131. Because the project's potential negative environmental and social effects may pose risks to the environment and humans but are reversible through proposed mitigation actions, the environmental and social categorization is substantial. Some potential risks include reduced fish stock levels as a result of overfishing, habitat damage caused by the use of specific equipment or fishing methods, overexploitation of mangroves for firewood, loss of biodiversity and degradation of coastal ecosystems, and fisheries processing, packaging, and marketing operations that produce liquid effluent. Mobile solar dryers will generate solid Waste, Marine litters and micro plastics, as well as hazardous waste, (solar end-of-life waste). However, given the project's environmental management focus, the expected environmental impacts are overwhelmingly positive. Due to increased competition for resources, there is a high risk of conflict with other users, including industrial fishing fleets but also other coastal zone land and sea users. The project will use participatory methods to ensure that these effects are recognized and minimized, and that those affected are given alternatives. During the design phase, relevant SECAP-related studies such as the Environment Social and Climate Management Framework (ESCMF), an abbreviated Environment and Social Impact Assessment (ESIA), and an Environment, Climate, and Social Management Plan (ESCMP) will be developed to guide implementation and mitigate negative impacts on the environment and social systems.

132. The Project will concentrate on developing and improving national rules and policies to mitigate the negative effects of fishing productivity; ii) conducting comprehensive site-specific studies required to comply with national environmental law and IFAD's SECAP; and iii) monitoring compliance with the latter.

133. The ESCMP in Table 4 identifies many potential risks and suggests mitigation strategies. Any hazards can be reduced by promoting eco-friendly solutions such as biodiversity and ecosystem protection, sustainable use of natural resources, job creation for youth, adherence to ILO child labour standards, and the implementation of grievance redress mechanisms (GRM).

#### 5. Climate risk category

134. The climate risk posed by PROPEIXE is substantial. The primary risks emanate from the population's high vulnerability to climate change and limited adaptability. It is anticipated that the frequency of extreme weather events such as cyclones, floods, droughts, and thunderstorms will increase, with devastating consequences for the fisheries industry and the livelihoods of the rural poor<sup>[1]</sup>. PROPEIXE will invest in climate adaptation and resilience initiatives that also contribute to climate change mitigation including: (i) climate information and EWS; (ii) weather insurance; (iii) climate proofed infrastructure; (iv) integrate climate considerations into the process of livelihood diversification; (v) promotion of renewable energy sources along value chain; and (vi) introduction of carbon accounting and carbon markets. These measures will have an impact on both CC adaptation and on CC mitigation, by reducing both direct and indirect GHG emissions. A targeted adaptation assessment comprising prioritized adaptation measures has been developed and incorporated into the programme components.

135. <sup>[1]</sup> Nationally Determined Contribution, Mozambique 2020-2025

## 6. Recommendations for project design and implementation

136. Proposed interventions will support the development or revision of local adaptation plans, the strengthening of early warning systems, access to climate and weather information, climate resilient infrastructure, climate smart agricultural practices/technologies, renewable energy, climate insurance, ecosystem restoration all in accordance with the NDCs and the NAP. Guidance on restoration of ecosystems is provided in the PIM.

137. **Table 3. Climate adaptation recommendations for PROPEIXE**

Component	Observed hazards Effect on fisheries production	Proposed adaptation options
<b>Component 1:</b> Integrated fisheries Value chain development	<ul style="list-style-type: none"> <li>- reduced fish stock levels as a result of overexploitation of fish stocks</li> </ul>	<ul style="list-style-type: none"> <li>- Monitor fish migration patterns and analyze migration extent influenced by climatic changes</li> <li>- Promote appropriate fishing gear</li> </ul>
	<ul style="list-style-type: none"> <li>- High temperatures, and droughts led to reduced water availability and increased water salinity that affect fishery ecosystems</li> <li>-</li> <li>- High temperatures, reduced precipitation and droughts affect fishery productivity</li> <li>- Increased cyclones, floods and sea rise lead to substantial fishery productivity and related</li> </ul>	<ul style="list-style-type: none"> <li>- Promote fingerling stocking with more saline tolerant fish species</li> <li>- improved early warning systems, more accessible access to weather and climate data, Disaster awareness raising, Index Insurance</li> </ul>
	<ul style="list-style-type: none"> <li>- Increased ecosystem degradation</li> <li>-</li> </ul>	<ul style="list-style-type: none"> <li>- Identify and rehabilitate critical coastal ecosystem such as mangroves to restore nutrient balance and increase carbon sequestration</li> </ul>
<b>Component 2:</b> Integrated fisheries Value chain development	<ul style="list-style-type: none"> <li>- High temperatures, affect fish shelf life</li> </ul>	<ul style="list-style-type: none"> <li>- Build capacity of fishers in post-harvest and value addition</li> <li>- Promote use of renewable energy (solar panels and efficient drying kilns) in fish processing, cooling trucks, refrigerators and cooler boxes on tracks</li> <li>- Climate resilient markets</li> </ul>

	- infrastructure loss	<ul style="list-style-type: none"> <li>- Undertake zoning to identify risk areas and avoid construction of fishery infrastructure in climate risk hotspots (landing points and storage structures)</li> <li>- Promote construction of storage space for fishery equipment (boats and fishing gears)</li> <li>- Promote generation of climate information and EWS, including floods and cyclones</li> <li>- Promote the adoption of fish cages where possible for easy Management of fish during cyclones or storms</li> <li>- Identify and rehabilitate coastal ecosystems that provide protection from storms and waves</li> <li>- Develop pilot insurance products that cover fishery equipment (motorized fishing boats and gears, and infrastructure)</li> <li>- Restock dams and reservoirs with fingerlings</li> </ul>
- <b>Component 3:</b> Institutional strengthening, project management and policy	<ul style="list-style-type: none"> <li>- Weak institutional capacity for climate adaptation</li> <li>- Weak enabling environment</li> </ul>	<ul style="list-style-type: none"> <li>- Capacity building of extension, support the implementation</li> <li>- and other policy and regulatory framework related to climate and environment management, Monitoring and Evaluation, knowledge management,</li> <li>- Recruit Environment and Climate Change Officer</li> </ul>
- <b>Component 4:</b> Crisis and Disaster Risk Reduction	- Extreme weather events (cyclones, floods, drought)	<p>Support recovery in case of extreme weather events and natural disasters which attack the country systematically focusing on</p> <ul style="list-style-type: none"> <li>- i) acquisition and replacement of fishing gears in a state of disrepair affecting catch efficiency and safety and inputs (nets, boats, engines); and</li> <li>- ii) rehabilitation and reinforcement of the resilience of fisheries production infrastructures (markets, transit centres, extension officers and CCPs infrastructures, fish conservation related equipment) indicating more than 50% damages; and</li> <li>- iii) development of early warning systems that provide communities with advance notice of impending disasters, allowing beneficiaries to take protective actions.</li> </ul>

138. Additional climate finance funding to complement the loan portfolio will be sought from the Global Environment Facility (GEF), the GCF, as well as the Adaptation for Smallholder Agriculture Plus (ASAP+).

**139. Gender, youth, nutrition and social inclusion.**

140. **Women's participation:** Women are involved to different degrees in the processing and adding value activities along the fishery value chain. Women are amongst the poorest and their economic progression is hindered by a combination of social and structural constraints. Their access to knowledge, inputs, finance, high value markets and capacity to generate income is heavily constrained by traditional gender roles that will undermine their participation unless gender is mainstreamed into all project's components.

141. **Gender strategy:** The project will contribute to achieve three main objectives: (i) Expand women's economic empowerment through access to and control over productive and household assets; (ii) Strengthen women's decision-making role in the household and community and their representation in membership and leadership of local institutions; (iii) achieve a reduced workload and an equitable workload balance between women and men, girls and boys.

142. Specifically the project will: (i) conduct training and awareness in gender transformative participatory approach and in GBV and

SEA with particular attention in the Northern Provinces and in the context of displacement; (ii) ensure women have representatives positions in decision making in committees/boards in CBOs (iii) ensure equitable participation (min 50per cent) of women in accessing project services and training for improved fisheries practices and demonstration of women friendly and energy saving technologies (Component 1), as well as economic diversification, business advisory and development services (BDS) as well as Nutrition (Component 2).

143. Women shall be mobilized to become members of Credit and Saving Groups (PCRs) and received training on finance literacy, alternative income generation and nutrition education among others. As such, the project should encourage interventions that promote nutritionally diverse and rich foods with focus on the most vulnerable (sub-component 2.1). Empowerment for women traders and processors need to be considered through the PPP market management arrangements that are based on a consultation process with all market users (many of which are women). They will ensure women traders are heard in the process of negotiation of the management models/arrangements and also benefit from improved working conditions and market services (either as providers or clients of such services) (sub-component 2.2). Under Component 3, the project should support development of gender policy in the artisanal fishery sector and support its dissemination at all levels to strengthen capacity of involved stakeholders (sub-component 3.1). A dedicated social inclusion (SI) person, responsible for gender, youth and nutrition shall be assigned to PMU to ensure SI activities are properly developed and monitored across project components (sub-component 3.2) and ToR duly reflected in the PIM<sup>[1]</sup>.
144. **Empowering measures and use of households methodologies (GALS):** The use of GALS is expected to generate results that relate to better gender equality and women's empowerment, improved nutrition. Through GALS men are engaged as allies to promote win-win strategies, contributing to change gender-based roles, perception and discriminations; GALS will promote purchasing nutritious foods (especially for women and children); increased consumption of diverse nutritious foods that address nutrition gaps; improved food safety practices, food preparation techniques that conserve nutrients and hygiene practices; improved feeding practices for infants and young children. The methodology will encourage household members to work together and reduce women's workload and through environmentally beneficial solutions.
145. **Youth Strategy:** Youth related interventions should be directed towards the achievement of three main outcomes: (i) Young people increase leadership and representation in decision making in CBOs; (ii) increase their participation in the labour market through access to information, technologies and skills for improved employability and (iii) sustainable enterprises and proper business development services create opportunity for youth enterprise and self-employment.
146. Under Component 1 youth should be mobilised to be active members of CCPs (and have leadership roles on a 20per cent basis) and associations and to participate in training on new fishery technologies and practises. Under Component 2, youth shall be targeted for activities related to skills development, enterprise and business development, income generation and access to financial services (including grants for emerging enterprises giving priority to youth and women). These activities are expected to favour youth employment and self-employment.
147. Dedicated targeted activities will be implemented with focus on fragile areas to support youth and IDPs (min. 50 per cent) from the North Provinces of Cabo Delgado and Nampula. These activities will include strengthening policy dialogue, as well as supporting youth skills development and job creation.
148. **Strategy for Disability Inclusion:** In line with activities developed under the "Sparking Disability Inclusive Rural Transformation" SPARK, project, PROPEIXE should replicate successful activities in the target areas. These includes: (i) training Disability Inclusion Facilitators (DIF); (ii) mobilising PwDs from targeted communities to become fully engaged in the economic activities of selected value chains for increasing their income; (iii) Raising awareness on the potential, aspirations and needs of persons with disabilities within their communities and other key stakeholders.
149. The objective of the activity is building a sustainable network of Disability Inclusion Facilitators, who will support awareness raising of disability within projects' implementing partners, stakeholders, and support persons with disabilities in accessing support networks and services.
150. It is planned that during the consultation and stakeholder engagement phase, specific consultation with PwDs will take place to ensure their views and aspirations are captured, especially for the design IGA trainings. This consultation will also take into account development of technologies that can support PwD engaged in on farm and off-farm activities in the specific context of Project intervention.
151. Among PwD, severely disabled individuals are less likely to spend time in agricultural activities and more likely to spend time in casual, part-time, temporary jobs. As part of the proposed study on viable IGA, specific focus will be on identification of activities suitable for PwDs. In this respect, consultation and FGCs will be conducted in a comprehensive and inclusive way, ensuring that persons affected by different type of disabilities and facing different challenges will be consulted. This will ensure that IGAs (training, information, technologies) will address, to the extent possible, multiple types of needs from PwDs and provide opportunities for all.
152. Considering the objectives of the national plan for disability (PNAD 2012-2019) the project will support inclusion of PwD with focus on youth through: (i) access to professional training programmes (TVET); access to alternative self-employment mechanisms tailored on their needs; access to job placement and in collaboration with responsible institutions (e.g. INE). These activities will also be developed in close coordination with relevant Specialised Agencies (e.g. ILO) and ensuring that employers and the workplace environment respect international standards and requirements for disability and inclusion.
153. **Lessons Learned:** The gender and social inclusion strategy should consider lessons from existing and previous IFAD experiences in the country and support women and youth from fisher communities in accessing key resilient technologies, equipment, financial and non-financial services to increase fish production and productivity and enhance resilience.

154. It is recommended to scale up successful lessons from ProPesca: (i) improved nutrition education; (ii) enhance women economic empowerment through access to financial services (e.g. strengthening saving and credit groups (PCRs/ASCAS) and providing financing mechanisms); (iii) support diversified livelihood for women through income generating activities (e.g. oyster shells, seaweed production among others) and (iv) job creation and enterprise development for youth (fishery and non-fishery sector). Moreover, women should be supported in becoming active members of relevant organisations such as Community Fisheries Councils (CCPs).
155. Strong nutrition education and social behaviour change and communication focused on informing, counselling, and educating target groups about the health benefits of consuming diversified diets has been shown to shape and improve family dietary practices and translate income into better nutrition outcomes. Practical, basic nutrition knowledge has been identified as a contributor to differences in dietary intake between socioeconomic groups, and maternal nutrition knowledge has been shown to improve child nutrition indicators. Similarly, adolescents with greater food and nutrition knowledge have been shown to have improved dietary habits compared to their peers.
156. It is recommended that PROPEIXE will support (i) women from fisher communities to access services, inputs and assets; (ii) women and youth inclusion in capacity building and training relevant for livelihood diversification, income generation and business development; (iii) nutrition education and social behaviour change and communication.

## 7. Further studies needed

157. The Project should develop strategies to improve the nutritional status of communities involved. At community level, curriculum on nutrition should be developed and integrated in training activities. It is also proposed that the activities on specific food promotion, behaviour change communication and nutrition education will be implemented at household level using the household methodologies approach.
160. The following studies were carried to inform design and will be important for implementation
- Environment, Climate and Social Management Framework (ESCMF),
  - Environment, Climate and Social Management Plan (ECSMP)
158. Selected tools from the Household methodology (GALS), whose success has been proven under other IFAD funded initiative in Mozambique, will be used during capacity buildings at community level, to promote equal access of men and women to economic opportunities, decision-making processes and share of workload and for improved nutrition.
- Grievance redress mechanism (GRM)
  - Security Management Plan
159. [11](#) Stakeholder Engagement Plan (SEP) to be gendered and ways available in the PIM with details.
- FPIC implementation plan (FPIC)
161. A comprehensive assessment of the climate vulnerability of the targeted fishing communities will be done at start up. This assessment will consider factors such as changing oceanic conditions, sea-level rise, extreme weather events, and the socio-economic vulnerabilities of the communities. Understanding the specific climate risks and vulnerabilities will provide the basis for selecting appropriate project activities.
162. To enhance the proposed fisheries management plans, during implementation, stock assessment will be done during start up. The resulting biological reference points will be used as stock monitoring indicators within the Project M&E system.
163. Further risk assessment will be done to ensure that proposed selected project intervention areas are not near the protected areas. Mitigation measures will be included according to Standard 1, paragraph 7.
164. **Feasibility study for income generating activities (IGA):** The study aims to the identification of viable income generating activities (IGA) for women and youth and suitable for persons with disabilities (PwD) including mapping of potential opportunities and partners by Province.
165. The study needs to understand the different needs of people based on Disability, gender and age through direct consultation (including FGDs) and field work in selected districts of project interventions (North, Central and South part of the country).
166. The study should investigate financial aspects: inputs, revenue, capital required and non-financial aspects: technical, administrative, social. Greater attention will be on the social factors affecting feasibility: this includes any barriers related to gender, age, disability, or ethnicity that might prevent some members of the community from participating and therefore identify suitable solutions for them. The study will prepare a list of feasible activities suitable for women, youth and persons with disabilities (PwD).

## 8. Monitoring and evaluation

167. Outputs and outcomes will be disaggregated by gender and age. PROPEIXE will use community-level participatory methods to evaluate project results and track gender equality and youth involvement in target communities.
168. Field personnel will track beneficiaries and assess treatment effects in each target group. Participatory methodologies will be used by field workers to monitor the project's unintended consequences on men, women, youth, and gender relations in target locations. Performance monitoring and targeting efficacy will be examined mid-term.
169. The Gender Strategy intends to boost beneficiary households' women's income, access and control of productive assets, decision-making, and household chores. Youth entrepreneurship and employment, improved food access and nutrition with nutrition education will require output and result indicators in the results framework.
170. PROPEIXE will use community-level participatory methods to evaluate project results and track gender equality and youth involvement in target communities. Field personnel must track beneficiaries and assess treatment effects in each target group. Participatory methodologies will be used by field workers to monitor the project's unintended consequences on men, women, youth, and gender relations in target locations. Performance monitoring and targeting efficacy will be examined mid-term.
171. The Gender Strategy intends to boost beneficiary households' women's income, access and control of productive assets, decision-making, and household chores. Measure youth entrepreneurship and employment. Improve food access and nutrition with nutrition education. Results frameworks require output and result indicators.
172. Climate resilience, NRM, nutrition, gender, and youth issues will be tracked by logical framework M&E indicators. Monitoring plans include parameters, indications, frequency, responsibilities, and cost. Table 4 shows the ESCMP matrix's environmental and social protection design and monitoring. The project's implementation documentation will include an improved ESCMP matrix. Use FAO EXACT Tool to account for GHG emissions. Design will be calculated. PMT and IFAD will control SECAP budgets and procurement.

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<b>Table 4. Environment, Social and Climate Management Plan Matrix</b>							
<b>No.</b>	<b>Environmental/Social and climate Impacts</b>	<b>Recommended Mitigation/Enhancement measures</b>	<b>Public Consultation Activities</b>	<b>Responsible Institution in Implementation Phase<sup>[1]</sup></b>	<b>Means of Verification (Monitoring and reporting)</b>	<b>Frequency of Verification</b>	<b>Cost Estimate</b>
<b>GENERAL</b>							
	<b>ESCMF, TAA</b>	<ul style="list-style-type: none"> <li>- Reviewing and customisation of current ESCMF and TAA for site specificity including annual reviews</li> <li>- Develop site specific Environmental, Social and Climate Management Plans (ESCMFs) to minimise negative environmental impacts</li> </ul>	<ul style="list-style-type: none"> <li>- Stakeholder Consultation</li> <li>- Public Disclosure</li> </ul>	PMU Sub-projects	Revised, customised and disclosed documents	Preparation stage and annually	50,000.00
	<b>SECAP in project management</b>	<ul style="list-style-type: none"> <li>- Recruitment of ESC safeguards specialists with backstopping support from trained district technical and field officers in the project implementation team</li> <li>- Training and support for the PMU and subprojects on SECAP standards</li> <li>- Strengthening of community involvement in environmental, social and climate impact assessment processes including monitoring and reporting</li> <li>- Developing, disseminating, supporting and strengthening GRM procedures prior and throughout the project lifetime</li> </ul>	<ul style="list-style-type: none"> <li>- Training of PMU on SECAP</li> <li>- Training of community on environmental monitoring and GRM</li> </ul>	IFAD, IDEPA	<ul style="list-style-type: none"> <li>ToRs for the Safeguards Specialist developed</li> <li>Safeguards Specialist recruited</li> <li>Training registers and reports</li> </ul>	Preparation phase	100,000.00



**Table 4. Environment, Social and Climate Management Plan Matrix**

No.	Environmental/Social and climate Impacts	Recommended Mitigation/Enhancement measures	Public Consultation Activities	Responsible Institution in Implementation Phase <sup>[1]</sup>	Means of Verification (Monitoring and reporting)	Frequency of Verification	Cost Estimate
<b>SOCIAL RISKS AND IMPACTS</b>							
	<b>Poor stakeholder engagement and lack of ownership</b>	<ul style="list-style-type: none"> <li>- Apply provisions of the Stakeholder Engagement Plan</li> <li>- Sign result-based MoU/agreements/contracts</li> <li>- Engage, outline, agree and disseminate clear roles and responsibility of all stakeholders</li> <li>- Make use of clear channels of communication</li> <li>- Enhance performance monitoring system</li> </ul>	<ul style="list-style-type: none"> <li>- Stakeholder workshops</li> </ul>	IDEPA, PMU, Consultants	SEP developed Contracts/MoUs signed Monitoring System developed	Preparation stage and annually	50,000.00
	<b>Implementation challenges including delays</b>	<ul style="list-style-type: none"> <li>- Reduce time between project conception and fund disbursement. Use start-up funds and/or retroactive financing</li> <li>- Systematic follow up of all the conditions of disbursement is required</li> <li>- Enhance timeous participatory process monitoring</li> <li>- Provide timeous appropriate technical assistance to subprojects in line with their approved workplans</li> <li>- Prepare a project Disaster Risk Reduction and Management/contingency Plan in case of an emergency</li> </ul>	<ul style="list-style-type: none"> <li>- Project management meetings</li> <li>- Support meetings and visits</li> <li>- Stakeholder input and ratification workshop on DRR contingency Plan</li> </ul>	MIMAIP, IFAD	Support mission reports Contingency Plan	Quarterly	Main project

**Table 4. Environment, Social and Climate Management Plan Matrix**

No.	Environmental/Social and climate Impacts	Recommended Mitigation/Enhancement measures	Public Consultation Activities	Responsible Institution in Implementation Phase <sup>[1]</sup>	Means of Verification (Monitoring and reporting)	Frequency of Verification	Cost Estimate
	<b>Conflict between IDPs and Host communities in Northern Provinces</b>	<p>Strong information about the project among target groups and Conflict and Social Assessment focusing on exclusion and elite capture risks and IDPs, including a Social Risk Mitigation Strategy and a security management plan to prevent conflicts.</p>	<ul style="list-style-type: none"> <li>- meeting with stakeholders and consultation field level</li> </ul>	IDEPA	<p>Review number of conflicts because of project interventions among host communities and IDPs.</p>	Monthly	Main Project
	<b>Change in Context</b>	<ul style="list-style-type: none"> <li>- Compressive Disaster Risk Reduction and Management/contingency Plan</li> <li>- Develop a tailored implementation approach to areas at high risk</li> <li>- Implement interventions based on the vulnerability and conflict assessment recommendations</li> </ul>	<ul style="list-style-type: none"> <li>- Stakeholder input and ratification workshop on DRR contingency Plan</li> <li>- Steering Committee and Technical Committee meetings</li> </ul>	PMU, IDEPA, Subprojects	<p>Contingency Plan</p> <p>Tailored area specific implementation and monitoring plan</p> <p>Meetings minutes</p>	Preparation phase and as and when necessary to activate the plan	Main Project
<b>ENVIRONMENTAL RISKS AND IMPACTS</b>							
		<ul style="list-style-type: none"> <li>- Develop a clear plan for natural resource management within the framework of the project</li> <li>- Improvement of coastal defense by rehabilitation and protection of coastal ecosystem and biodiversity hotspots, including mangroves reforestation, seagrass, coral reefs and promoting mariculture in potential coastal areas is required</li> <li>- Preserve sensitive species through clear assessment of their</li> </ul>					

Table No.	4. Environment, Social and climate Impacts	presence and behavior (tag and climate Management Plan Matrix)	Public Consultation Activities	Responsible Institution in Implementation Phase <sup>[1]</sup>	Means of Verification (Monitoring and reporting)	Frequency of Verification	Cost Estimate
	<b>Habitat loss and biodiversity disturbances</b>	<ul style="list-style-type: none"> <li>- Avoid and monitor the introduction of non-indigenous fauna</li> <li>- Strengthen community-based conservation and restoration of ecosystems and biodiversity through CCPs, and establishment of community management areas, and interventions to preserve the ecosystems and biodiversity</li> <li>- Adapt and upgrade existing coastal infrastructure using nature-based approaches.</li> <li>- Promote motorisation of small-scale fishing boats and fishing gear improvements fit for open sea fishing to reduce pressure at the coast</li> <li>- Put measures to protect fish in the open sea e.g., discouraging the use of beach trawls and other harmful and indiscriminate activities</li> <li>- Promote construction of boats using wood obtained from sawmills to avoid indiscriminate cutting of trees, especially protected tree species.</li> <li>- Promote construction of floating cages using PVC materials, which are less polluting to the environment, avoiding the cutting of mangrove species and thus reducing the pressure on natural resources</li> <li>- Promote proper handling of fishing products in order to prevent disease and environmental</li> </ul>	<ul style="list-style-type: none"> <li>- Stakeholder consultative meetings for NR Plan development</li> <li>- Collective NRM actions at community level</li> <li>- Participatory monitoring</li> <li>- CCP meetings</li> <li>- CCP monitoring activities</li> <li>- CCP meetings with fisheries community</li> <li>- Stakeholder Consultation</li> <li>- Community training</li> </ul>	<ul style="list-style-type: none"> <li>PMU, IDEPA, MTA, Subprojects</li> <li>PMU, IDEPA, Subprojects, CCPs</li> <li>PMU, IDEPA, Subprojects</li> </ul>	<ul style="list-style-type: none"> <li>Natural Resource Plan</li> <li>Participation in NRM record</li> <li>CCP minutes of meetings</li> <li>Reports on illegal activities and actions taken</li> <li>Community Action Plan agreed on and disseminated</li> <li>Positive reports on environmental management</li> <li>Subprojects ESCMPs developed</li> <li>Training Reports</li> </ul>	<ul style="list-style-type: none"> <li>Continuous</li> <li>Quarterly administrative visits</li> <li>Quarterly</li> <li>Preparation stage</li> </ul>	Main Project

Table No.	4. Environment, Social and climate Impacts	pollution Social and Climate Management Plan Matrix - Strengthen Recommendations through recognition and empowerment of fishing community to promote sustainable use of common natural resources	Public Consultation Activities	Responsible Institution in Implementation Phase <sup>[1]</sup>	Means of Verification (Monitoring and reporting)	Frequency of Verification	Cost Estimate
		<ul style="list-style-type: none"> <li>- Enhance enforcement of natural resource management plans through appropriate recognition and empowering of CCPs</li> <li>- Enhance research capacity of MTA and IDEPA for monitoring natural resources</li> </ul>					
	<b>Over-exploitation of fish including by-catch and</b>	<ul style="list-style-type: none"> <li>- Engage project beneficiaries in conservation awareness raising and training to reduce frequency of mass harvesting, using fishing methods that do not destroy the aquatic ecosystem and /or modifying fishing gear so that fewer non-target species are caught or can escape</li> <li>- Work with CCPs and helping them promote and develop new technologies and gear for more efficient operations</li> <li>- Engage and train carpenters to build suitable boats</li> <li>- Consider limiting (or gradual closure) trawling areas where undersized fishes are concentrated or adopting sorting devices rather than further increasing the mesh size in the net</li> <li>- Ensure little to no harvesting from the wild for brood stocks</li> <li>- Explore sustainable methods for offshore fishing to reduce the pressure on the coast</li> </ul>	<ul style="list-style-type: none"> <li>- Conservation awareness outreaches (as in 6 above)</li> <li>- Community trainings</li> <li>- Stakeholder meetings to set conservation</li> </ul>	PMU, IDEPA, Subprojects, CCPs,	<ul style="list-style-type: none"> <li>Activity reports</li> <li>Training Reports</li> <li>Compliance reports</li> <li>Monitoring protocol</li> </ul>	<ul style="list-style-type: none"> <li>Quarterly</li> <li>Quarterly</li> </ul>	Main Project

Table No.	illegal catches 4. Environment, Social and climate Impacts	- Set conservative targets (as in Fisheries Management Plan) Catch Per Unit Effort (CPUE) Recommended Mitigation/Enhancement measures	- Participatory Planning of Conservation Activities - Feasibility assessment of alternative livelihoods	Fisheries Community  Responsible Institution in Implementation Phase <sup>[1]</sup>	developed Alternative livelihoods Feasibility report Means of Verification (Monitoring and reporting)	Preparation stage  Frequency of Verification	Cost Estimate
		<p>where the stocks are under exploited<sup>[2]</sup></p> <ul style="list-style-type: none"> <li>- Establish and implement monitoring protocols that perform frequent assessments on fish production and harvesting techniques. Consider piloting the use of camera systems and vessel monitoring systems to improve compliance and collect more accurate information for scientific analyses.</li> <li>- Enhance enforcement of biodiversity protection plans and establish monitoring and enforcement mechanisms as part of project activities</li> <li>- Promote alternative livelihoods e.g., ecotourism and training communities to become community or snorkeling guides</li> </ul>					

**Table 4. Environment, Social and Climate Management Plan Matrix**

No.	Environmental/Social and climate Impacts	Recommended Mitigation/Enhancement measures	Public Consultation Activities	Responsible Institution in Implementation Phase <sup>[1]</sup>	Means of Verification (Monitoring and reporting)	Frequency of Verification	Cost Estimate
	<p><b>Alteration of land cover, Soil and land degradation</b></p>	<ul style="list-style-type: none"> <li>- Develop site specific soil and land management plans</li> <li>- The Contractors should make a daily inspection of earth works and ensure that slopes are suitably graded. Once earthworks are complete the Implementing Agent should monitor the restoration measures implemented by the Contractor, such as re-vegetation</li> <li>- The Contractors must clear area to be used and site works only</li> <li>- Train communities and service providers on sustainable land development and preparation methods</li> <li>- Promote an Ecosystem Approach to Fisheries in project sites</li> <li>- Involve other partners from the Ministry and research institutes in training farmers on soil conservation techniques</li> <li>- Promote the adoption of modern processing methods (solar driers)</li> <li>- Promote compensatory tree plantation e.g., promotion of fast-growing trees to be used in afforestation as a sustainable solution</li> </ul>	<ul style="list-style-type: none"> <li>- Community participatory training on reforestation, conservation techniques</li> </ul>	<p>PMU, MTA, IDEPA, Subprojects, Contractors, CCPs, Fisheries Community</p>	<p>Land and soil management plans</p> <p>Evidence of Reforested area (before and after pictures)</p> <p>Site specific monitoring checklist developed</p>	<p>Preparation stage</p> <p>Annually</p>	<p>Main project</p>

**Table 4. Environment, Social and Climate Management Plan Matrix**

No.	Environmental/Social and climate Impacts	Recommended Mitigation/Enhancement measures	Public Consultation Activities	Responsible Institution in Implementation Phase <sup>[1]</sup>	Means of Verification (Monitoring and reporting)	Frequency of Verification	Cost Estimate
	<b>Drainage, congestion and water logging</b>	<ul style="list-style-type: none"> <li>- Design proper runoff properly that can withstand cyclones and flooding at each project site</li> <li>- Install regulators and culverts as required</li> </ul>	<ul style="list-style-type: none"> <li>- Site monitoring</li> </ul>	Contractors, PMU, MTA	Monitoring checklist	During construction	Main Project
	<b>Air Pollution and noise</b>	<ul style="list-style-type: none"> <li>- Conduct regular maintenance of vessels and other machinery/equipment</li> <li>- Encourage reduction in engine idling during on- and off-loading activities</li> <li>- Where practical, minimise travel distance from landing to loading facilities to storage areas when siting of the new facilities</li> <li>- Provide information to the community prior to construction activities</li> <li>- Minimise by adoption of low noise equipment or installation of sound insulation fences</li> </ul>	<ul style="list-style-type: none"> <li>- Site monitoring</li> <li>- Notice given to community prior to works</li> </ul>	Contractors, PMU, MTA	Monitoring checklist	During construction	Main Project
		<ul style="list-style-type: none"> <li>- Conduct training sessions on improving the efficiency of fish processing</li> </ul>					

Table 4. Environment, Social and Climate Management Plan Matrix							
No.	Environmental/Social and climate Impacts	Recommended Mitigation/Enhancement measures	Public Consultation Activities	Responsible Institution in Implementation Phase <sup>[1]</sup>	Means of Verification (Monitoring and reporting)	Frequency of Verification	Cost Estimate
		<ul style="list-style-type: none"> <li>- Prepare local Environmental Management plans</li> <li>- Conduct regular maintenance of vessels and other machinery/equipment</li> <li>- Encourage reduction in engine idling during on- and off-loading activities</li> <li>- Avoid potential runoff especially passing through the areas with a high risk of accidental releases of oil or hazardous materials such as fuel. Fuel transfer locations must pass through an oil trapping basin for separate oily residues and sedimentation before discharging into water bodies</li> </ul>	<ul style="list-style-type: none"> <li>- Participatory development of Environmental plans (as in 6)</li> <li>- Site monitoring</li> </ul>	PMU, MTA, IDEPA, Subprojects, Contractors, CCPs, Fisheries Community	<ul style="list-style-type: none"> <li>Environmental Management plans</li> <li>Monitoring indicators</li> <li>Monitoring reports</li> </ul>	Preparation and through implementation	Main Project



Table 4. Environment, Social and Climate Management Plan Matrix							
No.	Environmental/Social and climate Impacts	Recommended Mitigation/Enhancement measures	Public Consultation Activities	Responsible Institution in Implementation Phase <sup>[1]</sup>	Means of Verification (Monitoring and reporting)	Frequency of Verification	Cost Estimate
	Land and water pollution	<ul style="list-style-type: none"> <li>- Prepare site specific Wet and Solid Waste Management Plans</li> <li>- Ensure fish processing facilities have adequate fresh water supply</li> <li>- Promote good solid waste management through practices such as recycling, reusable containers, bulk dispensers, frequent cleaning of beaches, etc.</li> <li>- Ensure that wet waste treatment systems are included in the sites facilities upgrade such as (i) wet waste handlings and drains and (ii) liquid waste handlings to avoid nutrient rich waters</li> <li>- Sewage systems and wastewater treatment plants must be designed to prevent them from the intrusion of saline water to ensure the systems are properly functional and its effluent always meets national regulations before discharging into water bodies</li> </ul>	- Site monitoring	PMU, MTA, IDEPA, Subprojects, Contractors, CCPs,	Monitoring indicators Monitoring reports	Preparation and through implementation	Main Project

Table 4. Environment, Social and Climate Management Plan Matrix							
No.	Environmental/Social and climate Impacts	Recommended Mitigation/Enhancement measures	Public Consultation Activities	Responsible Institution in Implementation Phase <sup>[1]</sup>	Means of Verification (Monitoring and reporting)	Frequency of Verification	Cost Estimate
	<b>Procurement of natural resources from primary suppliers</b>	<ul style="list-style-type: none"> <li>- Develop a framework for sustainable natural resource procurement to guide the project</li> <li>- Support staff and suppliers through sustainable (green) procurement training</li> <li>- Develop an evaluation criterion for service providers/suppliers that includes commitment to environmental sustainability (existing Environmental Management System), minimum environmental standards that should be met (documented or project specific)</li> <li>- Support products and services with the least ongoing environmental impacts, e.g., use of water, electricity and fuel, waste/disposal management, and impact on human health</li> <li>- Intentionally support women led suppliers of natural resources</li> </ul>	- Training workshops	PMU, IDEPA	Workshop reports Assessments reports	Project inception Project Inception and quarterly	Main Project procurement budget
<b>CLIMATE RISKS</b>							
		<ul style="list-style-type: none"> <li>- Refer to Targeted Adaptation Assessment developed for this ESCMF to assist in developing site-specific adaptation options</li> <li>- Conduct awareness raising and preparedness training of communities and</li> </ul>					

Table No.	4. Environment, Social and climate Impacts	Social and Climate Management Plan Matrix	Management Plan Matrix	Responsible Institution in Implementation Phase <sup>[1]</sup>	Means of Verification (Monitoring and reporting)	Frequency of Verification	Cost Estimate
	Environmental/Social and climate Impacts	<p>implementers</p> <ul style="list-style-type: none"> <li>- Develop a costed project specific Disaster Risk Reduction and Management Plan</li> <li>- Engage with the Meteorology Agency and media platforms for accurate and timeous climate information and weather forecasts generation and dissemination to the community to increase safety at sea</li> <li>- Improve storage facilities and handling practices to improve quality of fish produce and safety against temperature increases</li> <li>- Promote the use of solar energy for market infrastructures and cold storage facilities</li> <li>- Ensure robustness in siting, designing and construction of infrastructure making specific considerations for the type and housing of fisheries equipment</li> <li>- Diversification of livelihood options off coastal area including Savings and lending schemes/groups</li> <li>- Promote weather indexed Insurance for the fisheries sector and other alternative non marine activities</li> <li>- Governance efforts should aim to increase adaptive governance and resilience in fisheries communities as a response to the impacts of climate change and other environmental forces.</li> <li>- Existing community structures such as CCPs should be more closely integrated with disaster risk preparedness</li> </ul>	<p>Public Consultation Activities</p> <ul style="list-style-type: none"> <li>- Awareness raising workshops</li> <li>- Engagement meetings with technical stakeholders</li> <li>- Dissemination of weather information and EWS</li> <li>- Disaster Risk preparedness drills</li> </ul>	<p>PMU, INGC, MTA, IDEPA, Subprojects, Contractors, CCPs,</p>	<p>Activity report and/or Participation record</p> <p>Weather and EWS records</p> <p>Activity reports</p>	<p>Monthly</p> <p>Quarterly</p>	<p>Main Project (TAA)</p>
	Impact of Climate Change						

**Table 4. Environment, Social and Climate Management Plan Matrix**

No.	Environmental/Social and climate Impacts	Recommended Mitigation/Enhancement measures	Public Consultation Activities	Responsible Institution in Implementation Phase <sup>[1]</sup>	Means of Verification (Monitoring and reporting)	Frequency of Verification	Cost Estimate
	<p><b>Significant increase in greenhouse gas emissions caused by the project</b></p>	<ul style="list-style-type: none"> <li>- Promote and implement climate smart and environmentally sustainable practices on all project sites</li> <li>- Promote sustainable exploitation of fish resources through: less invasive fishing tools and techniques</li> <li>- Promote use of renewable energy in fish processing (drying, storage and transportation)</li> <li>- Avoid the use of wood in construction of boats to reduce the use of wood and decrease GHG emission</li> <li>- Raise awareness on the need for transition from HCFC-22/HFC to HFO and natural refrigerants which is a non-ozone-depleting HFC refrigerant blend</li> <li>- Consider alternative processing/preservation methods not dependent on cooling (Dried, salted and smoked, Prepared and preserved) and drying rooms and smokehouses that reduce use of natural resources</li> </ul>	<ul style="list-style-type: none"> <li>- Awareness raising sessions and demonstrations to communities</li> </ul>	<p>PMU, INGC, MTA, IDEPA, Subprojects, Contractors, CCPs,</p>	<p>Activity report</p>	<p>Bi-Annual</p>	<p>Main Project</p>
		<ul style="list-style-type: none"> <li>- Support improved policies and appropriate legal framework for artisanal fisheries and translate the new CCP regulations into a form that is understood by multilingual fishers</li> <li>- Carry out an assessment to</li> </ul>					

Table No.	4. Environment, Social and climate Impacts	determine CCPs and beneficiary areas	Climate Change Management Plan Matrix				
No.	Environmental/Social and climate Impacts	Recommendations and measures	Public Consultation Activities	Responsible Institution in Implementation Phase <sup>[1]</sup>	Means of Verification (Monitoring and reporting)	Frequency of Verification	Cost Estimate
	<b>Organisation and Formalisation of artisanal fisheries</b>	<ul style="list-style-type: none"> <li>- Facilitate a clear communication between the CCPs and authorities through a SEP</li> <li>- Promote community empowerment and co-management through the CCPs with an emphasis on inclusive participation of fishermen in the definition, implementation and monitoring of fisheries management measures (setting up of management and monitoring systems that allow them to address issues)</li> <li>- Advocate for a portion from fishing licence fees and Park fees to be allocated to CCPs to support their monitoring activities (according to Fisheries regulations)</li> <li>- Train and offer mentorship/counselling to CCPs on e.g., NRM, good fishing practices, business management and Disaster Management among other beneficial subjects for sustainable commercialisation of their businesses</li> <li>- Promote and facilitate information sharing and co-operation among park officials, tourism operators and fisheries communities should be improved. This will help to increase compliance with park regulations and reduce the pressure on park officials to enforce compliance through patrols and punitive measures</li> </ul>	<ul style="list-style-type: none"> <li>- Policy engagement forums</li> <li>Participatory assessment of CCPs</li> <li>- Community education on CCPs mandate</li> <li>Policy engagement forum</li> <li>- Training and mentoring CCPs</li> </ul>	PMU, IDEPA, Subprojects, CCPs,	<ul style="list-style-type: none"> <li>Policy briefs</li> <li>Assessment report</li> <li>Passed Resolutions</li> <li>Training reports, mentorship/counseling reports</li> </ul>	Bi-annual	Main Project

**Table 4. Environment, Social and Climate Management Plan Matrix**

No.	Environmental/Social and climate Impacts	Recommended Mitigation/Enhancement measures	Public Consultation Activities	Responsible Institution in Implementation Phase <sup>[1]</sup>	Means of Verification (Monitoring and reporting)	Frequency of Verification	Cost Estimate
	<p><b>Inadequate data and information on fisheries resources</b></p>	<p>Strengthen CCPs, and establish community management areas, to make it easier to collect data on operations and production trends</p> <ul style="list-style-type: none"> <li>- Practice effective monitoring of catches and fishing activities at sea and promote the use of camera systems (where possible) and vessel monitoring systems to improve compliance and collect more accurate information for better decision making.</li> </ul>	<ul style="list-style-type: none"> <li>- Participatory establishment and/or confirmation of existing community management areas</li> </ul>	<p>PMU, INE, IDEPA</p>	<p>Map of community management area</p>	<p>Weekly collection data and Annual compilation</p>	<p>Main Project</p>
	<p><b>Inadequate Extension Support</b></p>	<ul style="list-style-type: none"> <li>- Engage a consultant to carry out a comprehensive capacity needs assessment of district level human resources available vis-à-vis project requirements</li> <li>- Provide means of transport and duty allowances for extension agents, in order to ensure maximum support along the value chain</li> <li>- Strengthen the capacity of MIMAIP for the development and the supervision of the co-management systems in the artisanal fisheries subsector</li> </ul>	<ul style="list-style-type: none"> <li>- Technical training of provincial and district MIMAIP delegates</li> </ul>	<p>PMU, IDEPA</p>	<p>Training reports</p>	<p>Quarterly</p>	<p>Main Project</p>

**Table 4. Environment, Social and Climate Management Plan Matrix**

No.	Environmental/Social and climate Impacts	Recommended Mitigation/Enhancement measures	Public Consultation Activities	Responsible Institution in Implementation Phase <sup>[1]</sup>	Means of Verification (Monitoring and reporting)	Frequency of Verification	Cost Estimate
	<p><b>Weak operation and Maintenance of project infrastructure and facilities</b></p>	<ul style="list-style-type: none"> <li>- There is need for capacity building to operate and maintain equipment and other facilities</li> <li>- Improve ownership and accountability</li> <li>- Use a participatory approach with high involvement of CCPs to determine community needs, design, location, implementation and operational modalities of infrastructure</li> <li>- Set up market management commission to work with local structures in managing both market linkages and administration of infrastructure sensitization of local actors in implementing own control through organized night patrol</li> <li>- Support and strengthen GRM local system</li> </ul>	<ul style="list-style-type: none"> <li>- O&amp;M training and monitoring</li> </ul>	<p>PMU, IDEPA, Contractors, CCPs, Community</p>	<p>Training report Monitoring reports Situational reports from the community</p>	<p>Quarterly</p>	<p>Main Project</p>

**Table 4. Environment, Social and Climate Management Plan Matrix**

No.	Environmental/Social and climate Impacts	Recommended Mitigation/Enhancement measures	Public Consultation Activities	Responsible Institution in Implementation Phase <sup>[1]</sup>	Means of Verification (Monitoring and reporting)	Frequency of Verification	Cost Estimate
	<b>Non-Compliance of fishermen</b>	<ul style="list-style-type: none"> <li>- Training on maintaining regenerative capacity of the ecosystems.</li> <li>- Collaborate with the Ministry of Environment on monitoring and enforcement of marine protected areas</li> <li>- Strengthen CCPs with well-equipped patrol teams in sensitisation, conservation and restoration of the natural environment</li> <li>- Promote activities that encourage compliance such as incentives for compliant fishers like rotational warden spots) as compared to activities that increase enforcement (e.g., confiscation of fishing gear)</li> <li>- Promote continuous communication and information dissemination</li> </ul>	<ul style="list-style-type: none"> <li>- Continuous communication and information dissemination</li> </ul>	PMU, IDEPA, Contractors, CCPs, Fisheries Community	<ul style="list-style-type: none"> <li>Activity report</li> <li>Outlier reports and measures taken</li> </ul>	Quarterly	Main Project
	<b>Limited access to fishery resources</b>	<ul style="list-style-type: none"> <li>- Support and strengthen GRM local system</li> <li>- Promote participatory data informed infrastructural designs to suit all</li> <li>- Site infrastructure design adapted to communities and strong monitoring of the site</li> </ul>	<ul style="list-style-type: none"> <li>- Dissemination of GRM</li> </ul>	PMU, IDEPA, CCPs	Disclosed GRM	Preparation stage, Quarterly	Main Project



**Table 4. Environment, Social and Climate Management Plan Matrix**

No.	Environmental/Social and climate Impacts	Recommended Mitigation/Enhancement measures	Public Consultation Activities	Responsible Institution in Implementation Phase <sup>[1]</sup>	Means of Verification (Monitoring and reporting)	Frequency of Verification	Cost Estimate
	<p><b>Production Capacity below potential</b></p>	<ul style="list-style-type: none"> <li>- Ensure that producers get financial assistance to procure modernised fishing vessels that can access good quality fish in-sea (in addition to environmental co-benefit)</li> <li>- Support producers in good technology such as Fishfinders as well as training them in fishing technology, in particular in the assembly of selective and appropriate fishing gear,</li> <li>- Ensure that all landing sites have access to fresh water access points</li> <li>- Provide education on good practices in handling, processing and conservation of fish, using ice, salting and drying or smoking</li> <li>- Support producers with improved storage facilities and practices to improve quality of produce and safety against temperature increase</li> <li>- Promote the use of MPV Photovoltaic System (solar power) for market infrastructures and cold storage facilities</li> <li>- Ensure careful and objective selection of beneficiaries according to needs assessment to limit factors of double dipping</li> <li>- Provide means of transport and allowances for extension agents, in order to ensure maximum and</li> </ul>	<ul style="list-style-type: none"> <li>- Training in business management</li> <li>- Education on fish good handling etc</li> </ul>	<p>PMU, IDEPA, Fisheries Community</p>	<p>Training reports</p>	<p>Quarterly</p>	<p>Main project</p>

Table 4. Environment, Social and Climate Management Plan Matrix							
No.	Environmental/Social and climate Impacts	Recommended Mitigation/Enhancement measures	Public Consultation Activities	Responsible Institution in Implementation Phase <sup>[1]</sup>	Means of Verification (Monitoring and reporting)	Frequency of Verification	Cost Estimate
	<b>Poor Market Linkages</b>	<ul style="list-style-type: none"> <li>- Rehabilitation and maintenance of access roads is required. The roads should be designed for resilience to climate change impacts such as floods, cyclones and strong winds</li> <li>- Improve investment climate for private sector</li> <li>- Site specific ESIA's</li> </ul>	<ul style="list-style-type: none"> <li>- Participatory siting</li> </ul>	PMU, IDEPA	<ul style="list-style-type: none"> <li>Activity reports</li> <li>ESIA reports disclosed</li> </ul>	Quarterly	Main Project
	<b>Inadequate or limited capacity of private sector (service providers)</b>	<ul style="list-style-type: none"> <li>- Ensure that all Contractors have performance-based contracts and a clear supervision protocol</li> <li>- Employ multi-stakeholder engagement (setting ToR, proposal review and adjudication) and monitoring process for the private sector institutions</li> </ul>	<ul style="list-style-type: none"> <li>- Stakeholder engagement meetings</li> <li>- Public disclosure of ToRs, disclosure of contractor and</li> <li>- Participatory monitoring</li> </ul>	PMU, IDEPA	<ul style="list-style-type: none"> <li>Record of meeting minutes with resolutions</li> <li>Published ToRs</li> <li>Monitoring reports</li> </ul>	Quarterly	Main Project
	<b>Low market price of fish produce</b>	<ul style="list-style-type: none"> <li>- Facilitate direct access to micro, small and medium-sized companies to avoid unscrupulous intermediaries</li> <li>- Ensure producer's access to accurate and reliable market and weather information</li> <li>- Ensure provision of appropriate storage facilities at landing sites including access to fresh water</li> <li>- Linkages to good transport network</li> <li>- Promote dietary diversity to enhance market for dry fish</li> <li>- Provide fisheries health and hygiene education to communities</li> </ul>	<ul style="list-style-type: none"> <li>- Community awareness and education</li> <li>- Dissemination of weather information</li> <li>- Training on Health and Hygiene education</li> </ul>	PMU, IDEPA	<ul style="list-style-type: none"> <li>Activity reports</li> <li>Weather records</li> </ul>	Monthly	Main Project

**Table 4. Environment, Social and Climate Management Plan Matrix**

No.	Environmental/Social and climate Impacts	Recommended Mitigation/Enhancement measures	Public Consultation Activities	Responsible Institution in Implementation Phase <sup>[1]</sup>	Means of Verification (Monitoring and reporting)	Frequency of Verification	Cost Estimate
	<p><b>High vulnerability status of beneficiaries</b></p>	<ul style="list-style-type: none"> <li>- Project should be oriented towards strengthening resilience and adaptation to climate change to mitigate the high level of vulnerability of fishing communities</li> <li>- Increase institutional capacity to support production, marketing and management of the highest value fish resource</li> <li>- Provide credit schemes to qualifying beneficiaries across the value chain (including matching grants) accompanied with the matching capacity building to safeguard and multiply the loans</li> <li>- Explore introduction of insurance services to cushion fishermen and their fishing units</li> <li>- Consider registration of artisanal fishermen in the National Social Security System for backup support in case of physical disability and upon retirement</li> <li>- Promote credit cooperative/associations and encourage savings and revolving credit schemes</li> </ul>	<ul style="list-style-type: none"> <li>- Engagement of Financial and insurance stakeholders</li> <li>- Community awareness raising</li> </ul>	<p>PMU, IDEPA</p>	<p>Agreements and/or MoUs with Financial intermediaries</p> <p>Report on community engagement</p>	<p>Quarterly</p>	<p>Main Project</p>

**Table 4. Environment, Social and Climate Management Plan Matrix**

No.	Environmental/Social and climate impacts	Recommended Mitigation/Enhancement measures	Public Consultation Activities	Responsible Institution in Implementation Phase <sup>[1]</sup>	Means of Verification (Monitoring and reporting)	Frequency of Verification	Cost Estimate
	<b>Economic displacement</b>	<ul style="list-style-type: none"> <li>- Work with communities through the CCPs to diversify livelihoods off sea and increase financial wellness in order to cushion themselves against unfortunate events</li> <li>- Strengthen CCPs to play a supportive role when the decision to ban the seine gear takes place</li> <li>- Leave at least few sites open during construction intervention to avoid total loss of incomes</li> <li>- Monitor construction to eliminate any possible delays</li> <li>- Local ESC assessment and Construction site specific ESCMP</li> </ul>	<ul style="list-style-type: none"> <li>- Feasibility assessment of alternative livelihoods</li> <li>- Stakeholder consultation during ESMP development</li> </ul>	PMU, IDEPA,	Alternative livelihoods Feasibility report  ESCMP disclosed	Preparation phase	Main Project
	<b>Gender inequality and women empowerment</b>	<ul style="list-style-type: none"> <li>- Improve the organisation of women fish traders and increase their participation in credit and savings groups.</li> <li>- Create an inter-institutional “platform” to strengthen knowledge sharing and coordinated actions in the fish capture sector.</li> <li>- Gender mainstreaming actions should be developed as part of a Gender Development Action Plan. Gender and Social inclusion specialists shall be recruited as part of the PMU on a full time</li> </ul>	<ul style="list-style-type: none"> <li>- Stakeholder Engagement</li> </ul>	PMU, IDEPA, Ministry of Gender and Youth	Activity report  Gender Action Plan with monitoring indicators	Quarterly	40,000.00

**Table 4. Environment, Social and Climate Management Plan Matrix**

No.	Environmental/Social and climate Impacts	Recommended Mitigation/Enhancement measures	Public Consultation Activities	Responsible Institution in Implementation Phase <sup>[1]</sup>	Means of Verification (Monitoring and reporting)	Frequency of Verification	Cost Estimate
	<p><b>Exclusion and/or Limited participation and benefits for Women and youth</b></p>	<ul style="list-style-type: none"> <li>- Establish quotas for women and youth and communicate the program objectives, eligibility criteria, selection process and available GRM in partnership with local community organisations and community leaders</li> <li>- Promote activities that result in greater women's access to income and therefore greater economic empowerment</li> <li>- Continuous monitoring of gradual transformational changes and collecting of gender disaggregated data</li> <li>- Support women's engagement in ancillary segments of the fisheries value chain by providing required financial and capacity building and mentorship services</li> <li>- Country-level policy dialogue in a structured manner and support the design of sectoral strategies with clear milestones and indicators.</li> </ul>	<ul style="list-style-type: none"> <li>- Stakeholder engagement</li> <li>- Information dissemination</li> <li>- Engaging in country-level policy dialogue</li> </ul>	<p>PMU, IDEPA, Ministry of Women and Social Welfare, Ministry of Youth</p>	<p>Activity reports</p>	<p>Quarterly</p>	<p>40,000.00</p>
	<p><b>Elite capture, nepotism and clientelism for any activity</b></p>	<ul style="list-style-type: none"> <li>- Support development and strengthening of sub-projects SEP and GRM</li> <li>- Promote inclusive engagement of the community and systematic monitoring in close relationship with the CCPs</li> </ul>	<ul style="list-style-type: none"> <li>- SEP development and dissemination of GRM</li> </ul>	<p>PMU, IDEPA</p>	<p>Disclosed SEP and GRM</p>	<p>Preparation phase Quarterly</p>	<p>Main Project</p>

**Table 4. Environment, Social and Climate Management Plan Matrix**

No.	Environmental/Social and climate Impacts	Recommended Mitigation/Enhancement measures	Public Consultation Activities	Responsible Institution in Implementation Phase <sup>[1]</sup>	Means of Verification (Monitoring and reporting)	Frequency of Verification	Cost Estimate
	<p><b>Community Conflict and/or tension</b></p>	<ul style="list-style-type: none"> <li>- Use a participatory approach with high involvement of CCPs to determine community needs, design, location, beneficiary identification, implementation and operational modalities</li> <li>- GRM and SEP to promote coordination, mutually beneficial and harmonious co-existence between various parties</li> <li>- Clearly identify all resource users within the project area and hold consultations and ESC assessments to determine if the project activities will impact them (e.g., changes to hydrology, blocking access, etc.)</li> </ul>	<ul style="list-style-type: none"> <li>- Stakeholder assessment</li> <li>- Dissemination of information</li> <li>- SEP development and dissemination of GRM</li> </ul>	<p>PMU, IDEPA, CCPs</p>	<p>Disclosed SEP and GRM</p>	<p>Preparation phase Quarterly</p>	<p>SEP/GRM Budget</p>

**Table 4. Environment, Social and Climate Management Plan Matrix**

No.	Environmental/Social and climate Impacts	Recommended Mitigation/Enhancement measures	Public Consultation Activities	Responsible Institution in Implementation Phase <sup>[1]</sup>	Means of Verification (Monitoring and reporting)	Frequency of Verification	Cost Estimate
	<p><b>Low Nutritional uptake</b></p>	<ul style="list-style-type: none"> <li>- Promote household consumption of fish products to enhance nutrition through education and awareness campaign</li> <li>- The project should apply a nutrition lens in order to avoid malnutrition among the targeted population.</li> <li>- There is need for a multi-stakeholder dialogue and action with related institutions such as agriculture/nutrition, health, education, environment, youth, women and social affairs to ensure adequate monitoring and support to household nutrition uptake</li> <li>- Collaborate with the Ministry of Agriculture (Dept. of Nutrition) for training on food security and nutrition</li> </ul>	<ul style="list-style-type: none"> <li>- Stakeholder engagement</li> <li>- Training of community</li> <li>- Monitoring of nutrition uptake</li> </ul>	<p>PMU, IDEPA, Ministry of Women and Social Welfare</p>	<p>Activity report</p> <p>Monitoring indicators developed</p> <p>Monitoring reports</p>	<p>Quarterly</p>	<p>Main Project</p>

**Table 4. Environment, Social and Climate Management Plan Matrix**

No.	Environmental/Social and climate Impacts	Recommended Mitigation/Enhancement measures	Public Consultation Activities	Responsible Institution in Implementation Phase <sup>[1]</sup>	Means of Verification (Monitoring and reporting)	Frequency of Verification	Cost Estimate
	<p><b>Local work and SEA/SH and GBV</b></p>	<ul style="list-style-type: none"> <li>- Sensitization of local communities, including perceived gatekeepers, establishment of community-driven support measures against SEA/SH and GBV,</li> <li>- Establishment and operationalization of community-driven support measures against SEA/SH and GBV and GBV referral pathways. Gender Based Violence and SEA/SH Assessment and Action Plan shall be prepared, disclosed, consulted upon, adopted, and thereafter implemented across all relevant activities line with international standards and procedures</li> <li>- Training of Government and implementing partners/service providers on GBV, SEA/SH and respect of the IFAD/UN Code of Conduct</li> </ul>	<ul style="list-style-type: none"> <li>- Awareness and Education</li> <li>- Dissemination of GBV and SEA/SH information and action plans</li> </ul>	<p>PMU, IDEPA, Ministry of Women and Social Welfare</p>	<p>Activity reports GBV and SEA/SH action plan</p>	<p>Preparation phase Quarterly</p>	<p>50,000.00</p>



**Table 4. Environment, Social and Climate Management Plan Matrix**

No.	Environmental/Social and climate Impacts	Recommended Mitigation/Enhancement measures	Public Consultation Activities	Responsible Institution in Implementation Phase <sup>[1]</sup>	Means of Verification (Monitoring and reporting)	Frequency of Verification	Cost Estimate
	<p><b>Local work and Children</b></p>	<ul style="list-style-type: none"> <li>- IFAD Environmental and Social Exclusion list</li> <li>- Sensitization of selected communities on child rights and ensure that there is no child labour on project.</li> <li>- Partnership with ministry and department responsible for child labour monitoring to ensure no child labour takes place</li> <li>- Training of Government and implementing partners/service providers on child labour in relation to IFAD and GoM laws</li> </ul>	<ul style="list-style-type: none"> <li>- Community Sensitisation</li> <li>- Participatory Monitoring</li> </ul>	<p>Ministry of Women and Social Welfare</p>	<p>Activity report</p> <p>Monitoring indicators</p> <p>Monitoring reports</p>	<p>Continuous</p>	<p>50,000.00</p>

**Table 4. Environment, Social and Climate Management Plan Matrix**

No.	Environmental/Social and climate Impacts	Recommended Mitigation/Enhancement measures	Public Consultation Activities	Responsible Institution in Implementation Phase <sup>[1]</sup>	Means of Verification (Monitoring and reporting)	Frequency of Verification	Cost Estimate
	<b>Exposure to Waterborne diseases</b>	<ul style="list-style-type: none"> <li>- Contractors and Implementing agencies should seek to avoid or minimize the potential for exposure to diseases and to take necessary measures to improve environmental conditions</li> <li>- Integrating training on health issues into worker health and safety induction programmes and as a regular part of continuous worker training</li> <li>- Conduct community health education, prevention and treatment programmes as required</li> <li>- Coordinating with the responsible ministry on identification, reporting and surveillance and management of new cases, particularly in the case of an outbreak of a communicable disease the areas of operation</li> </ul>	<ul style="list-style-type: none"> <li>- Community health education</li> </ul>	PMU, IDEPA, Community	<ul style="list-style-type: none"> <li>Training reports</li> <li>Health centre reports</li> </ul>	Continuous	50,000.00
	<b>Exposure to Vector-borne</b>	<ul style="list-style-type: none"> <li>- Encourage administration of required prophylaxis as recommended by the health authorities</li> <li>- Protective clothing and related protective equipment e.g., treated mosquito nets, insect repellent etc</li> <li>- Integrating training on health issues into worker health and safety induction programmes and as a regular part of continuous worker training</li> </ul>	<ul style="list-style-type: none"> <li>- Community health education</li> </ul>	PMU, IDEPA, Community	<ul style="list-style-type: none"> <li>Training reports</li> <li>Health centre reports</li> </ul>	Continuous	20,000.00

**Table 4. Environment, Social and Climate Management Plan Matrix**

No.	Environmental/Social and climate impacts	Recommended Mitigation/Enhancement measures	Public Consultation Activities	Responsible Institution in Implementation Phase <sup>[1]</sup>	Means of Verification (Monitoring and reporting)	Frequency of Verification	Cost Estimate
	<b>HIV, Malaria, respiratory diseases etc</b>	<ul style="list-style-type: none"> <li>- Carrying out pre-employment health checks for all workers employed by primary contractors and subcontractors</li> <li>- Integrating training on health issues into worker health and safety induction programmes and as a regular part of continuous worker training</li> <li>- Take special measures to prevent the spread of HIV/AIDS and other sexually transmitted infections (STIs), both in the workforce and in the greater community</li> <li>- Conduct HIV and AIDS awareness and training through Reproductive Health Rights</li> </ul>	<ul style="list-style-type: none"> <li>- Community health education</li> </ul>	PMU, IDEPA, Community	<ul style="list-style-type: none"> <li>Training reports</li> <li>Health centre reports</li> </ul>	Continuous	20,000.00
	<b>Employment of direct and indirect workers</b>	<ul style="list-style-type: none"> <li>- Promote, to the extent possible, subcontracting to local entrepreneurs – particularly to rural women and youth – to maximize employment creation under decent working condition</li> <li>Monitoring and support enterprises in implementing standards</li> <li>- Labour Management Plan</li> </ul>	<ul style="list-style-type: none"> <li>- Development of Labour Management Plan</li> </ul>	PMU, IDEPA, Contractor	Labour management plan	Construction phase	Main Project

**Table 4. Environment, Social and Climate Management Plan Matrix**

No.	Environmental/Social and climate Impacts	Recommended Mitigation/Enhancement measures	Public Consultation Activities	Responsible Institution in Implementation Phase <sup>[1]</sup>	Means of Verification (Monitoring and reporting)	Frequency of Verification	Cost Estimate
	<b>Occupational Health and safety of workers</b>	<ul style="list-style-type: none"> <li>- Extensive occupational health and safety training for community members engaging in artisanal fisheries including life-saving, food safety and food handling licenses, etc</li> <li>- Provision of protective and safety clothing/gear for workers and community</li> <li>- Support fishers to be able to have fully equipped vessels e.g., life-saving equipment such as safety jackets, radios and GPS.</li> <li>- Provide Safety-at-Sea training</li> <li>- Develop and disseminate a health, safety and emergency response plan</li> <li>- Continuous monitoring</li> </ul>	<ul style="list-style-type: none"> <li>- Community safety and health Education</li> <li>- Compliance Monitoring</li> </ul>	PMU, IDEPA, Contractor	Training reports health, safety and emergency response plan	Continuous	100,000.00
	<b>Archaeological Findings</b>	<ul style="list-style-type: none"> <li>- Chance Finds Procedure</li> <li>- Carry out inspect all excavations, and where archaeological remains are found work must stop until it has been cleared to proceed. The officer should contact the Museums Authorities in the event of a significant archaeological find.</li> </ul>	<ul style="list-style-type: none"> <li>- Communication to relevant stakeholders</li> </ul>	PMU, IDEPA, Contractor	Updates	As and when necessary	25,000.00

173. <sup>[1]</sup> All the mitigation activities shall be led by the Project PMU under the supervision of MIMAIP-IDEPA and working in conjunction with relevant ministries and departments, private service providers and communities

174. <sup>[2]</sup> Site specific ESIA will be able to establish these areas

## Footnotes

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51. Overall 27% in the targeted districts (95% Cabo Delgado and 6% Nampula).

## Environmental and Social Safeguards Classification: Substantial

Environmental and Social Safeguards				
Biodiversity conservation	Yes/No	Likelihood	Consequence	Risk Rating
1.1 Could the project potentially involve or lead to conversion or degradation of biodiversity, habitats (including modified habitat, natural habitat and critical natural habitat) and/or ecosystems and ecosystem services?	Yes	Possible	Minor Minor impact on habitats. Impacts are temporary and confined to a small area of low ecological sensitivity or value.	Moderate
1.2 Could the project involve or potentially lead to activities involving habitats that are legally protected, officially proposed for protection, or recognized as protected by traditional local communities and/or authoritative sources (e.g. National Park, Nature Conservancy, Indigenous Community Conserved Area, ICCA, etc.)?	Yes	Likely	Minor Project is close to a protected area, and associated facilities may have an indirect impact unless the project is modified	Moderate
1.3 Could the project potentially involve or lead to an increase in the chance of human-wildlife encounters/conflict?	No			Low
1.4 Could the project potentially involve or lead to risks to endangered species (e.g. reduction, encroachment on habitat)?	Yes	Unlikely	Minor Net loss in biodiversity with a status of Least Concern, Near Threatened or Vulnerable.	Low
1.5 Could the project potentially involve or lead to impacts/risks to migratory wildlife?	Yes	Possible	Minor Project or associated facilities may have minor indirect impact on sites of importance to migratory wildlife. Project can be modified/mitigated to ensure that impacts do not occur.	Moderate
1.6 Could the project potentially involve or lead to introduction or utilization of any invasive alien species of flora and fauna, whether accidental or intentional?	No			Low
1.7 Could the project involve or lead to the handling or utilization of genetically modified organisms?	No			Low

Environmental and Social Safeguards				
1.8 Could the project involve or lead to procurement through primary suppliers of natural resource materials?	Yes	Almost certain	Moderate Project requires procurement of natural resources through primary suppliers, and resource extraction is tightly regulated	Substantial
<b>Resource Efficiency and Pollution Prevention</b>	<b>Yes/No</b>	<b>Likelihood</b>	<b>Consequence</b>	<b>Risk Rating</b>
2.1 Could the project involve or lead to the release of pollutants to the environment due to routine or non-routine circumstances with the potential for adverse local, regional, and/or transboundary impacts?	Yes	Almost certain	Moderate Pollutants may possibly be released, either routinely or by accident, but treatment systems are proven and verified. Receiving environment is highly sensitive.	Substantial
2.2 Could the project involve or lead to primary not environmentally sustainable production of living natural resources? (Note: this includes the cultivation or rearing of plants or animals, including annual and perennial crop farming, animal husbandry (including livestock), aquaculture, plantation forestry, etc )	No			Low
2.3 Could the project involve or lead to engagement in areas of forestry, including the harvesting of natural forests, plantation development, and/or reforestation?	Yes	Almost certain	Minor Only a small component of the project is focused on forestry, and this aspect is well regulated.	Moderate
2.4 Could the project involve or lead to significant consumption of raw materials, energy, and/or water?	Yes	Almost certain	Moderate The project will require consumption of raw materials, energy, and/or water. This will be a significant component of the project, but impacts can be appropriately managed.	Substantial
2.5 Could the project involve or lead to significant extraction, diversion or containment of surface or ground water (e.g. construction of dams, reservoirs, river basin developments, groundwater extraction)?	No			Low
2.6 Could the project involve inputs of fertilizers and other modifying agents?	No			Low
2.7 Could the project involve or lead to procurement, supply and/or result in the use of pesticides on crops, livestock, aquaculture or forestry?	No			Low
2.8 Could the project be located in an area which is being, or has been, polluted by an external source (e.g. a mine, smelter, industry)?	No			Low



Environmental and Social Safeguards				
2.9 Could the project involve livestock – extensive and intensive systems and animal products (dairy, skins, meat, etc.)?	No			Low
<b>Cultural Heritage</b>	<b>Yes/No</b>	<b>Likelihood</b>	<b>Consequence</b>	<b>Risk Rating</b>
3.1 Could the project be located in areas that are considered to have archaeological (prehistoric), paleontological, historical, cultural, artistic, and religious values or contains features considered as critical cultural heritage?	Yes	Likely	Minor  The project is thought to be close to an area that is considered to have archaeological (prehistoric), paleontological, historical, cultural, artistic, and religious values or contains features considered as critical cultural heritage. The site has been comprehensively surveyed, and all tangible and intangible cultural heritage is well known.	Moderate
3.2 Could the project directly or indirectly affect indigenous peoples' rights, lands, natural resources, territories, livelihoods, knowledge, social fabric, traditions, governance systems, and culture or heritage (tangible and intangible)?	No			Low
3.3 Could the project involve or lead to significant excavations, demolitions, movement of earth, flooding or other environmental changes?	No			Low
3.4 Could the project involve or lead to adverse impacts to sites, structures, or objects with historical, cultural, artistic, traditional or religious values or intangible forms of culture (e.g. knowledge, innovations, practices)? (Note: projects intended to protect and conserve Cultural Heritage may also have inadvertent adverse impacts)	No			Low
3.5 Could the project involve or lead to alterations to landscapes and natural features with cultural significance?	No			Low
3.6 Could the project involve or lead to utilization of tangible and/or intangible forms (e.g. practices, traditional knowledge) of Cultural Heritage for commercial or other purposes?	Yes	Almost certain	Minor  The project is located in an area that is considered to be of high cultural heritage value, but the project has no commercial value or interest.	Moderate
<b>indigenous peoples</b>	<b>Yes/No</b>	<b>Likelihood</b>	<b>Consequence</b>	<b>Risk Rating</b>
4.1 Could the project be sited in areas where indigenous peoples are present (including the project area of influence)?	No			Low
4.2 Could the project result in activities located on lands and territories claimed by indigenous peoples?	No			Low

Environmental and Social Safeguards				
4.3 Could the project result in impacts on the rights of indigenous peoples or to the lands, territories and resources claimed by them?	No			Low
4.4 Could the project result in the utilization and/or commercial development of natural resources on lands and territories claimed by indigenous peoples?	No			Low
4.5 Could the project lead to impacts on the Cultural Heritage of indigenous peoples, including through the commercialization or use of their traditional knowledge and practices?	No			Low
<b>Labour and Working Conditions</b>	<b>Yes/No</b>	<b>Likelihood</b>	<b>Consequence</b>	<b>Risk Rating</b>
5.1 Could the project operate in sectors or value chains that are characterized by working conditions that do not meet national labour laws or international commitments? (Note: this may include discriminatory practices, high gender inequality and the lack of equal opportunities, denial of freedom of association and collective bargaining, labour migrants)	Yes	Possible	Minor The project operates in sectors or value chains that have, in the past, not met national labour laws, or international commitments, but is now adequately nationally regulated, and is part of international value chains that are subject to regular environmental and social auditing.	Moderate
5.2 Could the project use or operate in a value chain where there have been reports of forced labour? (Note: Risks of forced labour may be increased for projects located in remote places or where the status of migrant workers is uncertain)	No			Low
5.3 Could the project involve children (a) below the nationally-defined minimum employment age (usually 15 years old) or (b) above the nationally-defined minimum employment age but below the age of 18 in supported activities or in value chains?	Yes	Possible	Minor The project does not operate in sectors or value chains where the employment of children has ever been reported.	Moderate
5.4 Could the project: (a) operate in a sector, area or value chain where producers and other agricultural workers are typically exposed to significant occupational and safety risks, and/or (b) promote or use technologies or practices that pose occupational safety and health (OSH) risks for farmers, other rural workers or rural populations in general? (Note: OSH risks in agriculture might include: dangerous machinery and tools; hazardous chemicals; toxic or allergenic agents; carcinogenic substances or agents; parasitic diseases; transmissible animal diseases; confined spaces; ergonomic hazards; extreme temperatures; and contact with dangerous and poisonous animals, reptiles and insects. Psychosocial hazards might include violence and harassment.)	Yes	Likely	Minor The project operates in a sector, area, or value chain where workers are occasionally exposed to significant OSH risks, and where regulation is known to be effective.	Moderate
<b>Community Health, Safety and Security</b>	<b>Yes/No</b>	<b>Likelihood</b>	<b>Consequence</b>	<b>Risk Rating</b>

Environmental and Social Safeguards				
6.1 Could the project be at risk from water-borne or other vector-borne diseases (e.g. temporary breeding habitats), and/or communicable and non-communicable diseases?	Yes	Likely	Minor  The project is situated in an area where negative impacts from water-borne or other vector-borne diseases, or communicable/non-communicable diseases are possible, but where there is no evidence of past impact, and where containment of these impacts would be effective if problems emerged.	Moderate
6.2 Could the project lead to unintended negative impacts on nutrition?	No			Low
6.3 Is there a possibility of harm or losses due to failure of structural elements of the project (e.g. collapse of buildings or infrastructure)?	No			Low
6.4 Could the project involve or lead to the construction or rehabilitation of dams?	No			Low
6.5 Could the project involve or lead to transport, storage, and use and/or disposal of hazardous or dangerous materials (e.g. explosives, fuel and other chemicals during construction and operation)?	Yes	Likely	Minor  The project has only minor involvement with the transport, storage, and use and/or disposal of hazardous or dangerous materials, and regulation of hazardous materials is effective.	Moderate
6.6 Could the project lead to adverse impacts on ecosystems and ecosystem services relevant to communities' health (e.g. food, surface water purification, natural buffers from flooding)?	No			Low
6.7 Could the project lead to the potential for gender-based violence, including sexual harassment, exploitation and abuse, as a result of labour influx, land redistribution, or other actions that alter community dynamics?	No			Low
6.8 Could the project lead to increases in traffic or alteration in traffic flow?	No			Low
6.9 Could the project lead to an influx of project workers?	No			Low
6.10 Could the project involve or lead to the engagement of security personnel to protect facilities and property or to support project activities?	No			Low
<b>Physical and economic resettlement</b>	<b>Yes/No</b>	<b>Likelihood</b>	<b>Consequence</b>	<b>Risk Rating</b>
7.1 Could the project result in temporary or permanent and full or partial physical displacement (including people without legally recognizable claims to land)?	No			Low
7.2 Could the project result in economic displacement (e.g. loss of assets or access to resources due to land acquisition or access restrictions – even in the absence of physical relocation)?	No			Low

Environmental and Social Safeguards				
7.3 Could the project present a risk of forced evictions?	No			Low
7.4 Could the project result in impacts on or changes to land tenure arrangements and/or community-based property rights/customary rights to land, territories and/or resources?	No			Low
<b>Financial intermediaries and direct investments</b>	<b>Yes/No</b>	<b>Likelihood</b>	<b>Consequence</b>	<b>Risk Rating</b>
8.1 Could the investment be granted to an institution that does not have an environmental and social policies and an associated environmental and social management system (ESMS) in place (transparent, publicly available)?	No			Low
8.2 Could the investment be granted to an institution with insufficient capacities (i.e. unqualified personnel e.g. ES Officer) to implement the ESMS?	No			Low
8.3 Could the investment be granted to an institution that does not have an Exclusion List?	No			Low
8.4 According to the institution's portfolio classification: Could the institution have potential high-risk projects in their portfolio?	No			Low
8.5 Is there evidence that the institution does not comply with the local legal framework?	No			Low
8.6 Does the institution provide a stable communication channel with stakeholders and local communities (e.g. a Grievance Redress Mechanism)?	Yes	Almost certain	Minor Communities and stakeholders can contact the institution and a process is in place for institutionalizing the communication channels (e.g. complaint-management system) and training staff accordingly.	Moderate
8.7 Does the organization provide auxiliary or capacity building support services.	Yes	Almost certain	Minor The institution offers basic training services to customers (directly or thrid party service providers to imprrove business and livelihood opportunities.	Moderate

## Climate Risk Classification: Substantial

<b>Step 1: Hazard identification</b>	
<b>What are the expected hazards in the project intervention area?</b>	<b>No, Yes, TBD</b>
River flood	Yes
Costal Flood	Yes
Urban Flood	Yes
Landslide	No
Cyclone	Yes
Water Scarcity (agricultural droughts and/or dry spells)	Yes
Extreme Heat	Yes
Wildfires	Yes
<b>Future climate scenarios foreseen (period 2040-2059) - Change in frequency and intensity</b>	<b>No, Yes, TBD</b>
Change in temperature (increase or decrease)	Yes
Change in rainfall (increase or decrease)	Yes
Climate variability (larger or smaller)	Yes
Intensity and frequency of extreme events (larger or smaller)	Yes
<b>Is the project expected to have an impact on climate?</b>	<b>No, Yes, TBD</b>
Is the project expected to be a significant emitter of greenhouse gases?	No
<b>Step 2: Exposure Assessment</b>	
<b>Is the project located in exposed areas to weather-related natural hazards?</b>	<b>No, Yes, TBD</b>
Low-lying areas (valleys, coastal zones, and small islands)	Yes
Very warm areas (subtropical)	Yes
Tropical areas (rainforests)	No
Arid and semi-arid areas (deserts)	Yes
Mountains zones and permafrost areas (tundra)	No
River banks	No
<b>Does the project target agricultural systems, ecosystems or livelihoods exposed to weather-related hazards?</b>	<b>No, Yes, TBD</b>
Is crop production frequently affected by rainfall variability, prolonged droughts, changes in temperature or pests and diseases?	Yes
Is livestock productivity frequently affected by rainfall variability, prolonged droughts, changes in temperature or diseases?	Yes
Are fisheries frequently affected by ocean acidification, water salinity and changes in sea surface temperature due to ocean-atmospheric oscillations or climate change?	Yes
Is forest productivity frequently affected by wildfires, diseases, rainfall variability, prolonged droughts, or changes in temperature?	Yes
Is the biodiversity in the project area likely to be affected by changes in climate variables?	Yes
Is any stage of the agricultural value chain (production, storage, processing and marketing) exposed to climate related hazards?	Yes
Is any rural infrastructure likely to be affected by flooding, landslides, changes in temperatures, and extreme winds.	Yes
<b>Step 3: Sensitivity Assessment</b>	
<b>What are key sensitivities for the populations in the project's areas of intervention?</b>	<b>No, Yes, TBD</b>
Is conflict exacerbating the population's sensitivity to weather related hazards?	Yes
Is population displacement being exacerbated by climate change impacts?	Yes

Are diseases (e.g. COVID-19, malaria, cholera) increasing the population's vulnerability and affecting their capacity to address potential weather-related hazards?	Yes
Is the income of the target population predominately coming from agriculture?	Yes
Are social inequalities (e.g. based on gender, youth, indigenous persons and other marginalized groups) being exacerbated by climate change?	Yes
Is the Human Development Index (HDI) equal to or below 0.6?	Yes
Is the Multidimensional Poverty Index (MPI) equal to or above 0.1?	Yes
<b>Step 4: Adaptive capacity and climate resilience</b>	
<b>What are key adaptive capacities in the areas of project intervention?</b>	<b>No, Yes, TBD</b>
Is the country well ranked in the Disaster risk reduction progress score?	Yes
Are climate and weather information services (real-time weather data, seasonal forecasts etc.) effectively being delivered (through radio, TV, SMS, extension services etc.) to farmers, rural dwellers, and end users?	Yes
Does the project country have an early action plan (preparedness and emergency response) to mitigate the impacts of weather-related hazards once the shock occurs?	Yes
Does the government or other institutions support the target population/communities with the necessary social and economic resources to prepare for or respond to climate-related events?	Yes
Is the target community carrying out (using their own means) agricultural adaptation?	No
Does the target population have the economic means or support to adjust or adapt their activities in response to weather related shocks?	No
Do policies/mechanisms exist that make financial credit, loans, and agricultural insurance available?	Yes
Are rural infrastructures effectively delivering services to farmers and rural dwellers?	No

## **Mozambique**

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### **Artisanal Fisheries Resilient Development Project**

### **Project Design Report**

### **Annex 6: First Annual Work Plan and Budget (AWPB)**

Mission Dates: 22 May – 09 June

Document Date: 25/10/2023

Project No. 2000004008

Report No. 6599-MZ

East and Southern Africa Division  
Programme Management Department







**Artisanal Fisheries Resilient Development Project (PROPEIXE)**

**Annual Work Plan and Budget**

**Year 1**

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## **ABBREVIATIONS & ACRONYMS**

ADNAP	Fisheries National Administration
ANE	Roads National Administration
AWPB	Annual Work Plan and Budget
CCP	Community Fisheries Committee
EDM	National Electricity Company
FUNAE	National Energy Fund
GoM	Government of Mozambique
IDEPA	National Institute for Development of Fisheries and Aquaculture
IDP	Internally Displaced People
INAMAR	Sea national Institute
INGD	National Institute for Disaster Management
INIP	National Institute for Fisheries Inspection
InOM	Oceanographic Institute of Mozambique
KM	Knowledge Management
M&E	Monitoring and Evaluation
MIMAIP	Ministry of Sea, Inland Waters and Fisheries
MSME	Micro, Small and Medium Enterprises
PDO	Project Development Objective
PRA	Participatory Rapid Appraisal
PROPEIXE	Artisanal Fisheries Resilient Development Project
PwD	Persons with Disability
RMC	Road Maintenance Committees

# MAP OF THE PROGRAMME AREA



The designations employed and the presentation of the material in this map do not imply the expression of any opinion whatsoever on the part of IFAD concerning the delimitation of the frontiers or boundaries, or the authorities thereof.

IFAD Map compiled by IFAD | 30-06-2023

## **I INTRODUCTION**

1. The Artisanal Fisheries Resilient Development Project (PROPEIXE), was designed by the Government of Mozambique (GoM) and IFAD in 2023. The project was approved in the same year by IFAD, in order to support the GoM in addressing the key challenges of the artisanal fisheries sector including: i. the degradation of natural resources and its negative impact on fisheries stocks; ii. low profitability of the fishing activity due to inefficiencies and value chain fragmentation; iii. poor fish handling; iv. mobility of youth away from the sector and invisibility of women's contribution to post capture activities; v. vulnerability of value chain infrastructure due to climate shocks; and vi. the need to strengthen the capacity of relevant Government institutions in the delivery of last mile services.
2. The PROPEIXE goal is "sustainably increase the incomes, nutrition and food security by addressing the main barriers to sustainable production and marketing for artisanal fisheries". The Project Development Objective (PDO) is to "increase the sustainability of fishery value chain returns, by promoting responsible fisheries, community conservation and restoration of ecosystems and biodiversity, while also supporting fishery community resilience through diversification of livelihoods".
3. The project will be implemented in 21 coastal districts in 05 provinces of the country namely: 3 in Inhambane (Govuro, Inhassoro e Vilankulo), 4 in Sofala (Beira, Muanza, Buzi e Machanga), 5 in Zambézia (Pebane, Chinde, Mocubela, Maganja da Costa e Quelimane), 5 in Nampula (Memba, Ilha de Moçambique, Mossuril, Angoche, Moma) and 4 in Cabo Delgado (Pemba, Metuge, Quissinga and Mocímba Praia).
4. PROPEIXE expects to achieve a total of 90.000 direct beneficiaries or 40.000 households, corresponding to approximately 200.000 household members. The main target group consists of small-scale fishers engaged in artisanal fishery (production level) and other sector along the value chain (e.g. processing, marketing and service provision) deriving most of their income from fish production and post-production at different scale, from subsistence to market oriented. The project will also target community organizations and businesses including transformation drivers. In addition, the project will have a focus to target specific vulnerable groups such as women, youth, Persons with Disability (PWD) and also Internally Displaced People (IDPs) in the Northern Provinces.
5. This AWPB is the first for PROPEIXE and will cover the first 18 months of the project implementation. During this period the focus will be in the establishment of the project including hiring of Project management staff, rehabilitation of IDEPA offices, induction trainings, acquisition of transportation means and IT equipment. In addition, various studies in collaboration with InOM will be carried out, while at the same time investments in infrastructures and increasing climate resilience of the target group will also be covered.
6. As illustrated in Table 1, the total budget for the implementation of the first 18 months AWPB is estimated at approximately USD 18.6 Million, being around 92% for Investment Costs (USD 4.8 Million for Civil works, USD 3.5 Million for Consultancies, USD 1.9 Million for Equipment and Materials, USD 792 Thousand for Goods Services and Inputs, USD 6 Million for Trainings and Workshops), and 8% for Recurrent Costs (USD 1.1 Million for Salaries and Allowances, and USD 434 Thousand for Operating Costs).

Table 1. Consolidated budget for the first 18 months

Republic of Mozambique  
First 18 Months Annual Work-Plan and Budget

Expenditure Accounts by Financiers  
(US\$ '000)

	GoM		IFAD		Private Sector		Beneficiaries		GEF		Norway		Total		For. Exch.	Local (Excl. Taxes)	Duties & Taxes
	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%			
<b>I. Investment Costs</b>																	
A. Civil Works	339	7	2,476	52	323	7	505	11	1,132	24	-	-	4,774	26	477	3,958	339
B. Consultancies	249	7	1,660	47	415	12	-	-	857	24	328	9	3,510	19	351	2,910	249
C. Equipment and Materials	266	14	1,560	80	-	-	-	-	71	4	48	2	1,944	11	194	1,484	266
D. Goods, Services and Inputs	56	7	468	59	-	-	-	-	-	-	268	34	792	4	79	657	56
E. Training and Workshops	391	7	2,522	42	-	-	-	-	2,284	38	803	13	6,001	32	550	5,060	391
<b>Total Investment Costs</b>	<b>1,301</b>	<b>8</b>	<b>8,686</b>	<b>51</b>	<b>738</b>	<b>4</b>	<b>505</b>	<b>3</b>	<b>4,344</b>	<b>26</b>	<b>1,447</b>	<b>9</b>	<b>17,021</b>	<b>92</b>	<b>1,652</b>	<b>14,068</b>	<b>1,301</b>
<b>II. Recurrent Costs</b>																	
A. Salaries and Allowances	-	-	1,118	100	-	-	-	-	-	-	-	-	1,118	6	-	1,118	-
B. Operating Costs	-	-	434	100	-	-	-	-	-	-	-	-	434	2	-	434	-
<b>Total Recurrent Costs</b>	<b>-</b>	<b>-</b>	<b>1,553</b>	<b>100</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,553</b>	<b>8</b>	<b>-</b>	<b>1,553</b>	<b>-</b>
<b>Total PROJECT COSTS</b>	<b>1,301</b>	<b>7</b>	<b>10,239</b>	<b>55</b>	<b>738</b>	<b>4</b>	<b>505</b>	<b>3</b>	<b>4,344</b>	<b>23</b>	<b>1,447</b>	<b>8</b>	<b>18,574</b>	<b>100</b>	<b>1,652</b>	<b>15,621</b>	<b>1,301</b>

7. The following chapters of this AWPB, present planned activities per components and sub-components and respective budgets, as well as the consolidated budgets per Component and per Expenditure Accounts.

## II PLANNED ACTIVITIES PER COMPONENT AND SUB-COMPONENT

8. In the first year of implementation the project will focus on the following key areas of intervention: Rehabilitation and equipment of Meteorological stations; Capacity Building and trainings of extension officers and other value chain actors (mechanics, boat builders and others); Support Start-Ups and MSMES; Pilot Mariculture; Provide Financial Services; Conduct Various Studies to inform project implementation; Cross-cutting interventions in (gender, youth and PwD); and installation activities (staff hiring, offices rehabilitation, transportation means and equipment).

9. These activities will be conducted in collaboration and partnerships with INFRAPESCA, ADNAP, INAMAR, INIP, InOM, ANE, EDM, FUNAE and INGD.

### 2.1. COMPONENT 1: RESILIENT ARTISANAL FISHERIES AND ECOSYSTEM MANAGEMENT

10. The estimated 18 months budget for this Component is USD 5.7 Million. During this period the project will, among others, i. conduct studies such as: The Participatory Rapid Appraisal; Identification of high priority locations for restoration and protection of eco-system; Conduct fishing trials to demonstrate improved fishing methods; ii. Support climate Resilience and climate friendly interventions through the construction, rehabilitation and equipment for Meteorological Stations; Support the use of energy efficient stoves; Establish nursery for mangrove seedlings and plant Mangroves trees in degrade habitats; and iii. Developing Capacities and sensitization: i. Training Community Fisheries Committees (CCPs); Providing extensions services; and a Conducting Gender awareness sessions. See details in Table 2.

Table 2. Planned activities and budget for Component 1

Republic of Mozambique  
First 18 Months Annual Work-Plan and Budget

Table 1.1. Resilient Artisanal Fisheries and Ecosystem Management

Detailed Costs  
(US\$)

	Unit	Quantities			Unit Cost	Totals Including Contingencies ('000)		
		2024	2025	Total		2024	2025	Total
<b>I. Investment Costs</b>								
<b>A. Resilient artisanal fisheries and ecosystem management</b>								
Build and equip Meteorological Station to Strengthen Climate Resilience	Number	-	1	1	137,000	-	138	138
Disaster Risk Management and Climate Adapted Technologies	Lumpsum	-	3	3	24,803	-	76	76
Support use of energy efficient stoves	Number	-	2,000	2,000	50	-	103	103
Conduct a Participatory Rural Appraisal (PRA) /a	Study	-	24	24	2,000	-	49	49
Conduct participatory identification of high high-priority places in need of restoration and protection through ecosystem-based approaches.	Facility	-	24	24	500	-	12	12
Develop a nursery for mangrove seedlings in identified localities	Hectare	-	400	400	3,500	-	1,400	1,400
Planting of mangrove trees in degraded habitats	Study	-	24	24	91,592	-	2,325	2,325
Training of CCPs on fisheries co-management in collaboration with local government, and the National Fisheries Administration (ADNAP)	Lumpsum	-	12	12	5,000	-	62	62
Capacity building of CCPs on social dynamics, leadership, governance, savings and credit, business plans development & entrepreneurship	Lumpsum	-	12	12	5,000	-	62	62
Develop fisheries management plans for each fishing zone and specifically define the roles of the different stakeholders	Plan	-	3	3	300,000	-	923	923
Conduct fishing trials to demonstrate improved/selective fishing methods, techniques/FADs	Number	10	30	40	2,000	20	62	82
Provide extension services for local use of evidence-based on data collected by CCPs fisheries management	Ls/District	24	-	24	10,000	250	-	250
<b>Subtotal</b>						270	5,211	5,481
B. Gender Awareness Sessions among CCPs and relevant Associations	Worksheet	21	-	21	500	11	-	11
<b>Total Investment Costs</b>						281	5,211	5,492
<b>II. Recurrent Costs</b>								
A. Fisheries Specialist	Per Month	12	12	24	4,500	54	54	108
B. Climate Change and Adaptation Specialist	Per Month	12	12	24	4,500	54	54	108
<b>Total Recurrent Costs</b>						108	108	216
<b>Total</b>						389	5,319	5,708

## 2.2. COMPONENT 2: INCLUSIVE FISHERIES CLIMATE RESILIENT VALUE CHAIN DEVELOPMENT AND LIVELIHOOD DIVERSIFICATION

11. For Component 2, it is estimated a total budget of USD 7.7 Million, for the period under analysis. This budget will cover both Sustainable Entrepreneurship and Livelihood Development as well as Value Chain Driven and Climate Resilient Infrastructure.

### 2.2.1. Sub Component 2.1: Sustainable entrepreneurship and livelihoods development

12. Under sub-component 2.1, the following activities will be covered: Training and technical assistance to boatbuilders, mechanics and others; Awareness raising and trainings on best practices of fishing handling; Support start-ups and MSMEs; Provide Financial Services; Pilot Mariculture Interventions; Conduct fishing trials and demonstration; FADs and artificial reefs; and Crosscutting activities related to Gender Inclusion, Nutrition and Youth skills development. The estimated budget for the sub-component is USD 4.7 Million, as detailed in Table 3.

Table 3. Planned activities and budget for Sub-Component 2.1

Detailed Costs (US\$)		Quantities			Unit Cost	Totals Including Contingencies ('000)		
		2024	2025	Total		2024	2025	Total
<b>I. Investment Costs</b>								
<b>A. Training and technical assistance on fishing and fishery related aspects</b>								
Train boatbuilders on improved/new models and construction techniques	Session	-	2	2	50,000	-	102	102
Training and certification of marine engine mechanics	Session	-	-	-	-	-	-	-
Assist uptake of proven improved/new fishing methods and techniques	Lumpsum	-	-	-	-	-	-	-
<b>Subtotal</b>						-	102	102
<b>B. Awareness raising and training on fish quality and training on 'best practices' of hygiene and handling and processing</b>								
Build awareness of consumers on fish quality and nutritional value of fish	Campaign	-	5	5	8,000	-	41	41
Train technical staff and extension workers on 'best practices'	Session	-	5	5	25,000	-	127	127
Train and provide assistance fish handling, processing and preservation techniques and hygiene standards / practices	Number	-	5	5	6,000	-	31	31
Train and provide assistance in processing value-added products, including product development (packaging, labelling, branding, etc.)	Number	-	5	5	3,000	-	15	15
<b>Subtotal</b>						-	214	214
<b>C. Support to business start-ups and MSMEs</b>								
Establish a fish market information system	Lumpsum	-	3	3	7,500	-	23	23
Carry out capacity assessment of associations/cooperatives in the artisanal fishery subsector	Contract	1	-	1	50,000	51	-	51
Establish and build capacity of group enterprises	Contract	-	5	5	35,000	-	178	178
Prepare guidelines and provide initial support to the implementation of PPPPs	Contract	-	1	1	25,000	-	25	25
Provision of business development services /a	Contract	-	1	1	150,000	-	152	152
<b>Subtotal</b>						51	378	429
<b>D. Provision of financial services</b>								
Develop Revolving Savings and Credit (PCRs) groups	Contract	-	5	5	30,000	-	153	153
Matching grants for disadvantaged groups	Lumpsum	-	1	1	100,000	-	102	102
<b>Subtotal</b>						-	254	254
<b>E. Technical Assistance</b>								
Provide technical assistance to partnership initiatives related to BDS, PPPP promotion, group enterprises and access to financial services	Lumpsum	-	5	5	25,000	-	126	126
<b>F. Pilot mariculture</b>								
Survey/mapping of areas with potential for promotion of mariculture (eg: seaweed, mussels) and design program	Report	1	-	1	30,000	30	-	30
Procure materials and assemble farming structures	Lumpsum	-	6	6	2,000	-	12	12
Carry out trials and assess technical and financial feasibility	Trails	-	6	6	1,500	-	9	9
Train technical staff and extension workers on farming techniques	Session	-	3	3	10,000	-	31	31
Train and assist fish farmers in the implementation of successful experiments	Number	-	60	60	750	-	46	46
<b>Subtotal</b>						30	98	128
<b>G. Fishing trials and demonstrations</b>								
Access opportunities and design program	Report	1	-	1	30,000	30	-	30
Procure materials/equipment and assemble fishing gear	Unit	-	10	10	15,000	-	153	153
Carry out trials and assess feasibility	Trail	-	10	10	5,000	-	51	51
Train technical staff and extension workers on improved/new fishing techniques	Session	-	5	5	10,000	-	51	51
Train and assist fishermen in the implementation of successful experiments	Number	-	-	-	-	-	-	-
<b>Subtotal</b>						30	254	285
<b>H. FADs and artificial reefs</b>								
Sites assessment and program design	Report	1	-	1	60,000	61	-	61
Construction and deployment of FADs	Structure	-	5	5	100,000	-	500	500
Construction and deployment of artificial reefs	Structure	-	10	10	20,000	-	200	200
<b>Subtotal</b>						61	700	761
<b>I. Technical Assistance</b>								
Provision of technical assistance and monitoring implementation of activities	Lumpsum	-	5	5	10,000	-	51	51
Community engagement	Lumpsum	-	1	1	10,000	-	10	10
<b>Subtotal</b>						-	61	61
<b>J. NUTRITION</b>								
Update nutrition education training modules, conduct trainings	Modules	1	1	2	5,000	5	5	10
Development of nutrition education and SBCC materials and handouts	Lumpsum	150	150	300	500	76	76	152
Nutrition Sensitization Sessions for vulnerable HHs /b	Session	100	100	200	1,000	101	102	203
Nutrition Sensitization for fish value chain actors	Groups	100	100	200	1,000	101	102	203
Inputs for Nutrition Sessions for vulnerable HHs	Inputs	300	300	600	200	61	61	122
Service Provider ( management/implementation related costs including salary)	Lumpsum	1	1	2	60,000	61	61	122
<b>Subtotal</b>						406	407	813
<b>K. GENDER (GALS)</b>								
Training GALS champions	Worksheet	8	4	12	30,000	243	122	365
GALS experts	Per/Days	120	60	180	500	61	31	91
<b>Subtotal</b>						304	153	457
<b>L. Youth skills development training and Enterprise Development for IDPs and Northern Provinces</b>								
TVET training - Students	No. of Students/trainees	150	450	600	700	106	321	427
Business development ( e.g. SYB training)	Worksheet	200	300	500	350	71	107	178
Service Provider ( management/implementation related costs including salary)	Lumpsum	1	1	2	180,000	184	185	368
<b>Subtotal</b>						361	612	973
<b>Total Investment Costs</b>						1,243	3,360	4,603
<b>II. Recurrent Costs</b>								
A. Market and Value Chain Specialist	Per Month	12	12	24	4,500	54	54	108
<b>Total Recurrent Costs</b>						54	54	108
<b>Total</b>						1,297	3,414	4,711



## 2.2.2. Sub Component 2.2: Value chain driven and climate resilient infrastructure development

13. For the first 18 months, the project will allocate a total budget of USD 3 Million, to conduct the following activities: Survey, Design and Rehabilitation and Periodic Maintenance of feeder roads; Train and equip Road Maintenance Committees (RMC); Rehabilitate and Operationalize Fish Markets, including equipping with solar powered cold equipment; Build fish processing units and Warehouses for dried fish; and Rehabilitation of extension building (See Table 4).

Table 4. Planned activities and budget for Sub-Component 2.2

Republic of Mozambique  
First 18 Months Annual Work-Plan and Budget

Table 2.2. Value Chain Driven, and Climate Resilient Infrastructure Development

### Detailed Costs

(US\$)

	Unit	Quantities			Unit Cost	Totals Including Contingencies ('000)		
		2024	2025	Total		2024	2025	Total
<b>I. Investment Costs</b>								
<b>A. Feeder Roads Rehabilitation</b>								
Survey and Design	Km	50	50	100	2,000	102	103	205
Rehabilitation works /a	Km	-	50	50	40,000	-	2,011	2,011
Supervision of rehabilitation works	Km	-	50	50	2,000	-	101	101
Training of Supervising Engineers at PCU and District Levels /b	Number	25	-	25	3,000	77	-	77
<b>Subtotal</b>						179	2,214	2,393
<b>B. Maintenance of Feeder Roads</b>								
Periodic maintenance /c	Km	-	-	-	-	-	-	-
Routine maintenance /d	Km	-	-	-	-	-	-	-
<b>Subtotal</b>						-	-	-
<b>C. Road Maintenance Committees (RMC)</b>								
Formation/Establishment of RMC /e	RMC	-	10	10	400	-	4	4
Training of RMC /f	Session	-	5	5	1,500	-	8	8
Supervision of maintenance works /g	Per Month	-	-	-	-	-	-	-
Procurement of Equipment/hand tools /h	Kit	-	10	10	1,000	-	10	10
Procurement of Motorcycles	Number	10	-	10	4,000	41	-	41
Procurement of Car (4x4)	Number	1	-	1	50,000	51	-	51
<b>Subtotal</b>						92	22	114
<b>D. Rehabilitation and operationalization of fish markets</b>								
Design and Supervision	Unit	-	1	1	25,000	-	26	26
Fish market rehabilitation works	Unit	-	1	1	280,000	-	282	282
<b>Subtotal</b>						-	307	307
<b>E. Construction of fish processing centers using traditional techniques</b>								
Identification and design	Unit	5	-	5	3,000	15	-	15
Construction works	Unit	-	2	2	30,000	-	60	60
Supervision of construction works	Unit	-	2	2	3,000	-	6	6
<b>Subtotal</b>						15	66	82
<b>F. Implementation of warehouses for dried fish</b>								
identification and design	Unit	-	-	-	-	-	-	-
Construction works	Unit	-	-	-	-	-	-	-
Supervision of construction works	Unit	-	-	-	-	-	-	-
<b>Subtotal</b>						-	-	-
<b>G. Equipping fish markets with solar powered cold equipment</b>								
Specifications and feasibility assessment	Unit	-	-	-	-	-	-	-
Procurement and installation of cold equipment /i	Unit	-	-	-	-	-	-	-
Procurement and installation of solar power system /j	Unit	-	-	-	-	-	-	-
<b>Subtotal</b>						-	-	-
<b>H. Rehabilitation/Extension of buildings</b>								
Design/Design updating and Supervision	Unit	-	-	-	-	-	-	-
Rehabilitation works /k	Unit	-	-	-	-	-	-	-
<b>Subtotal</b>						-	-	-
<b>Total Investment Costs</b>						286	2,610	2,896
<b>II. Recurrent Costs</b>								
A. Infrastructure Specialist	Per Month	12	12	24	4,500	54	54	108
<b>Total Recurrent Costs</b>						54	54	108
<b>Total</b>						340	2,664	3,004

## 2.3. COMPONENT 3. INSTITUTIONAL STRENGTHENING, PROJECT MANAGEMENT AND POLICY INITIATIVES

14. As per sub-components 3.1. Institutional strengthening and policy support, and 3.2 Project Coordination and Implementation support, it was estimated budgets of USD 2.9 Million and USD 2.2 Million respectively.

### 2.3.1. Subcomponent 3.1. Institutional strengthening and policy support

15. Having in mind that the baseline survey will be conducted before the beginning of project implementation, under this subcomponent the activities will include: M&E and KM Activities (start-up workshop, M&E plan validation workshop, diverse studies in partnership with InOM, KM products such as videos, publications and others, Exchange visits and others). Institution Capacity and Policy dialogue on Gender and Nutrition activities, as well as Institutional Strengthening and Policy initiatives with InOM, INIP,

# INAMAR, ADNAP. Identification and Mapping places in need of rehabilitation and conservation of coastal ecosystems, as detailed in Table 5.

Table 5. Planned activities and budget for Sub-Component 3.1

Republic of Mozambique

First 18 Months Annual Work-Plan and Budget

Table 3.1. Institutional Strengthening and Policy Support

Detailed Costs

(US\$)

	Unit	Quantities			Unit Cost	Totals Including Contingencies ('000)		
		2024	2025	Total		2024	2025	Total
<b>I. Investment Costs</b>								
<b>A. Monitoring &amp; Evaluation and Knowledge Management</b>								
<b>1. Monitoring &amp; Evaluation</b>								
TA for M&E during start-up and implementation	Person/Days	20	10	30	350	7	4	11
Workshop with project stakeholders	Worksheet	1	-	1	3,000	3	-	3
Workshop to validate the M&E Manual and reporting tools	Worksheet	1	-	1	3,000	-	-	3
<b>Subtotal</b>						<b>13</b>	<b>4</b>	<b>17</b>
<b>2. Knowledge Management</b>								
Studies in collaboration with the Oceanographic Institute of Mozambique	Study	-	1	1	30,000	-	31	31
GALS impact study and publication	Study	-	-	-	-	-	-	-
KM publication	Per Year	-	-	-	-	-	-	-
TV and radio awareness campaigns on environmental, gender and nutrition issues	Per Year	-	1	1	5,000	-	5	5
Environmental and nutrition awareness-raising activities in schools	Per Year	-	-	-	-	-	-	-
Development of short videos	Lumpsum	-	-	-	-	-	-	-
Printing of communications materials	Lumpsum	-	1	1	500	-	1	1
Exchange visits for technical staff and extension officers	Study	-	1	1	30,000	-	31	31
Exchange visits for mariculture farmers	Visit	-	1	1	10,000	-	10	10
Production of audio and visual material on mariculture, gender and nutrition	Lumpsum	-	1	1	35,000	-	36	36
Organisation of fishery fairs	Lumpsum	-	-	-	-	-	-	-
Update nutrition education training modules, conduct trainings	Modules	1	1	2	5,000	5	5	10
<b>Subtotal</b>						<b>5</b>	<b>118</b>	<b>124</b>
<b>Subtotal</b>						<b>18</b>	<b>122</b>	<b>140</b>
<b>B. Institutions Capacity and Policy dialogue on Gender and Nutrition</b>								
Gender policy development	Policy	1	-	1	30,000	31	-	31
Workshop for policy dissemination ( Gender and Nutrition Policy Dialogue)	Worksheet	-	3	3	6,000	-	18	18
National Dialogue on Nutrition	Event	-	-	-	-	-	-	-
TA for Gender and Nutrition Mainstreaming Experts	Lumpsum	1	-	1	30,000	31	-	31
Training materials preparation and support to workshops	Consultant	1	-	1	30,000	31	-	31
<b>Subtotal</b>						<b>92</b>	<b>18</b>	<b>110</b>
<b>C. Institutional Strengthening INOM</b>								
<b>1. Estimation of the potential and status of exploitation of resources accessible to art</b>								
Specialist in assessment of artisanal fish stocks	Per Month	4	3	7	10,000	41	31	72
Vessel charter (semi-ind type)	Study	4	3	7	50,000	204	154	358
Acquisition of research equipment	Number	1	1	2	25,000	26	26	51
Training of national counterparts	Number	1	1	2	22,000	22	23	45
Others to be identified within the scope of project implementation	Lumpsum	-	-	-	-	20	-	20
<b>Subtotal</b>						<b>314</b>	<b>233</b>	<b>546</b>
<b>D. Policy initiatives INOM</b>								
<b>1. Support for conducting ecosystem studies of fisheries in the project area /a</b>								
Mapping and determination of the state of fisheries ecosystems (fishery resources, seagrass)	Survey	1	1	2	33,000	34	34	68
Assessment of intra- and inter-trophic and abiotic interactions in coastal fisheries ecosystem	Survey	-	1	1	8,500	-	9	9
Determining the ecological and socioeconomic value of coastal ecosystems (fishing resource)	Survey	-	1	1	7,200	-	7	7
Others to be identified within the scope of project implementation	Lumpsum	-	-	-	-	15	-	15
<b>Subtotal</b>						<b>49</b>	<b>50</b>	<b>99</b>
<b>2. Support in the rehabilitation and conservation of coastal ecosystems</b>								
Mapping and determination of the conservation status of coastal ecosystems (seagrasses,	Survey	-	1	1	7,200	-	7	7
Assessment and proposal of restoration and management measures for mangroves, seagrass)	Survey	-	1	1	1,200	-	1	1
Others to be identified within the scope of project implementation	Lumpsum	-	-	-	-	4	-	4
<b>Subtotal</b>						<b>4</b>	<b>9</b>	<b>12</b>
<b>Subtotal</b>						<b>53</b>	<b>59</b>	<b>111</b>
<b>E. Institutional Strengthening INIP</b>								
<b>1. Elaboration, approval and dissemination of procedures to guarantee the hygienic :</b>								
Preparation of procedures	Study	1	-	1	8,500	9	-	9
Publication and dissemination	Per Year	1	-	1	2,400	2	-	2
<b>Subtotal</b>						<b>11</b>	<b>-</b>	<b>11</b>
2. Training of Fish Inspection technicians	Per Year	1	1	2	8,200	8	8	17
3. Training of people involved in hygienic control at INAE, SDAEs, and Municipalities (tech	Per Year	-	2	2	8,200	-	17	17
4. Training of operators and artisanal fishermen in good hygiene practices, handling, conse	Per Year	-	10	10	400	-	4	4
5. Monitoring, evaluation of the implementation of good practices, inspection and traceabilit	Study	-	2	2	2,850	-	6	6
<b>Subtotal</b>						<b>20</b>	<b>35</b>	<b>55</b>
<b>F. Institutional Strengthening INAMAR</b>								
Semi rigid boat 9m (one per province)	Boats	-	5	5	75,000	-	385	385
Motocycle (one per district)	Number	-	14	14	4,000	-	57	57
Surveillance Kits ( shore folder, gauge, calculating machine, photo camera, etc. /b	Kit	42	21	63	800	34	17	52
Staff training in approach procedures and legislation	Per Year	1	1	2	23,500	24	24	48
<b>Subtotal</b>						<b>58</b>	<b>483</b>	<b>542</b>
<b>G. Policy initiatives INAMAR</b>								
Illegal fishing impact study	Study	1	-	1	78,802	80	-	80
Elaboration of the MCS strategy for the elimination of illegal arts (consultancy)	Study	-	1	1	78,802	-	81	81
<b>Subtotal</b>						<b>80</b>	<b>81</b>	<b>161</b>
<b>H. Institutional Strengthening ADNAP</b>								
<b>1. Headquarters</b>								
IT equipment (computer and printer)	Number	2	-	2	2,500	5	-	5
<b>2. The Open ArtFish system implemented in the 21 districts covered by the project</b>								
IT equipment PC (computer and printer, district and delegation)	Number	5	-	5	2,000	10	-	10
IT equipment laptop (districts and delegations)	Number	32	-	32	1,500	49	-	49
Motocycle (district)	Number	21	-	21	4,000	86	-	86
Kit (for sampling)	Kit	63	-	63	500	32	-	32
Training of database and sampling managers at central, provincial and district levels	Session	3	-	3	20,000	61	-	61
Monitoring the data collection and processing process	Study	36	36	72	500	18	18	37
<b>Subtotal</b>						<b>257</b>	<b>18</b>	<b>275</b>
<b>Subtotal</b>						<b>262</b>	<b>18</b>	<b>280</b>
<b>I. Policy initiatives (MIMAIP)</b>								
Finalization of PESPA II	Lumpsum	1	-	1	150,000	153	-	153
Census of Artisanal Fisheries 2027	Lumpsum	-	-	-	-	-	-	-
Organization of the fisheries co-management system (covering the artisan fisheries in the 2'	Study	-	1	1	150,000	-	154	154
Other particularly relevant initiatives /c	Lumpsum	-	-	-	-	102	-	102
Scholarships for MIMAIP Staff and Fisheries Community Beneficiaries	Lumpsum	-	1	1	25,000	-	26	26
<b>Subtotal</b>						<b>255</b>	<b>179</b>	<b>435</b>
J. Environmental, Social and Climate Management Framework (ESCMF)	Lumpsum	-	-	-	-	250	250	500
<b>Total Investment Costs</b>						<b>1,402</b>	<b>1,479</b>	<b>2,882</b>
<b>II. Recurrent Costs</b>								
<b>A. Institutional Strengthening ADNAP</b>								
<b>1. The Open ArtFish system implemented in the 21 districts covered by the project</b>								
Fuel for the vehicles involved in the implementation of the system	Litres/Year	22,500	22,500	45,000	1	34	34	67
<b>Total Recurrent Costs</b>						<b>34</b>	<b>34</b>	<b>67</b>
<b>Total</b>						<b>1,436</b>	<b>1,513</b>	<b>2,949</b>

## 2.3.2. Subcomponent 3.2. Project coordination and implementation support

16. The USD 1.1 Million allocated for sub-component 3.2 will basically cover rehabilitation of IDEPA offices, acquisition of vehicles and IT equipment and softwares, in addition to the recurrent costs of Staff Salaries, Travel costs, Operation and Maintenance costs, as detailed in Table 6.

Table 6. Planned activities and budget for Sub-Component 3.2

Republic of Mozambique First 18 Months Annual Work-Plan and Budget Table 3.2. Project Coordination and Implementation Support Detailed Costs (US\$)								
Unit	Quantities			Unit Cost	Totals Including Contingencies ('000)			
	2024	2025	Total		2024	2025	Total	
<b>I. Investment Costs</b>								
<b>A. Maputo Office/National Level - National PMU</b>								
<b>1. Vehicles</b>								
4x4 Double Cabin	Number	1	-	1	45,000	46	-	46
Sedan	Number	1	-	1	25,000	26	-	26
<b>Subtotal</b>						<b>72</b>	<b>-</b>	<b>72</b>
<b>2. Office, IT Equipment and Software</b>								
Laptop computers	Number	15	-	15	1,500	23	-	23
Multifunctional printer/copy machine/scanner	Number	2	-	2	6,000	12	-	12
Personal Printer/Scanner /a	Number	4	-	4	1,000	4	-	4
Professional Scanner for e-Archiving /b	Number	2	-	2	5,000	10	-	10
Financial management software/ e-Sistafe /c	Lumpsum	1	-	1	5,000	5	-	5
File server and costs /d	Lumpsum	1	1	2	1,000	1	1	2
Office furniture /e	Lumpsum	15	-	15	1,000	15	-	15
Photocamera	Number	1	-	1	2,000	2	-	2
Videocamera	Number	1	-	1	3,000	3	-	3
Video conferencing kit	Kit	1	-	1	4,000	4	-	4
Server (Internet connectivity Upgrade)	Lumpsum	1	1	2	3,000	3	3	6
<b>Subtotal</b>						<b>83</b>	<b>4</b>	<b>87</b>
<b>Subtotal</b>						<b>155</b>	<b>4</b>	<b>159</b>
B. Rehabilitation of IDEPA offices for the PMU	Lumpsum	1	-	1	25,000	26	-	26
C. Start-up Workshop and Project Launching	Worksheet	1	-	1	30,000	31	-	31
D. Project Audits- Administrative Court /f	Per Year	1	1	2	3,000	3	3	6
E. Steering Committee Meetings	Worksheet	1	1	2	2,000	2	2	4
<b>F. Provincial IDEPA Delegations</b>								
<b>1. Vehicles</b>								
4x4 Double Cabin	Number	5	-	5	45,000	230	-	230
Motorbikes	Number	63	-	63	4,000	257	-	257
<b>Subtotal</b>						<b>487</b>	<b>-</b>	<b>487</b>
<b>2. Office, IT Equipment and Software</b>								
Laptop computers	Number	15	-	15	1,500	23	-	23
Multifunctional printer/copy machine/scanner	Number	5	-	5	5,000	26	-	26
Office furniture	Lumpsum	15	-	15	1,000	15	-	15
Photocamera	Number	5	-	5	2,000	10	-	10
Videocamera	Number	5	-	5	3,000	15	-	15
Videoconferencing kit	Kit	5	-	5	4,000	20	-	20
Server (Internet connectivity Upgrade)	Lumpsum	5	5	10	1,500	8	8	15
<b>Subtotal</b>						<b>117</b>	<b>8</b>	<b>125</b>
3. Rehabilitation IDEPA Provincial Delegations	Lumpsum	-	5	5	10,000	-	51	51
4. Provincial Steering Committee Meetings	Worksheet	5	5	10	1,000	5	5	10
<b>Subtotal</b>						<b>610</b>	<b>64</b>	<b>674</b>
G. Baseline, mid-line, end-line surveys (baseline through FIPS)	Lumpsum	1	-	1	120,000	123	-	123
H. Development of Management Information System for PROPEIXE (to be fi	Lumpsum	1	-	1	100,000	102	-	102
I. AWPB development and review	Per Year	1	1	2	10,000	10	10	20
J. IFAD implementation workshop	Worksheet	1	-	1	5,000	5	-	5
<b>Total Investment Costs</b>						<b>1,066</b>	<b>84</b>	<b>1,150</b>
<b>II. Recurrent Costs</b>								
<b>A. National PMU</b>								
<b>1. Staff Salaries</b>								
Project Coordinator	Per Month	12	12	24	6,000	72	72	145
Financial Manager	Per Month	12	12	24	5,000	60	60	120
M&E Officer	Per Month	12	12	24	4,500	54	54	108
Procurement Officer	Per Month	12	12	24	4,500	54	54	108
KM Officer /g	Per Month	-	-	-	-	-	-	-
Financial Assistant	Per Month	12	12	24	3,000	36	36	72
Procurement Assistant	Per Month	12	12	24	3,000	36	36	72
Driver	Per Month	12	12	24	1,000	12	12	24
Social Inclusion Specialist (Gender, Targeting, Youth, Nutrition) /h	Per Month	-	-	-	-	-	-	-
Administrative Assistant	Per Month	12	12	24	1,500	18	18	36
<b>Subtotal</b>						<b>343</b>	<b>344</b>	<b>686</b>
2. Travel and Missions (Nutrition related)	Lumpsum	5	5	10	1,500	8	8	15
<b>Subtotal</b>						<b>350</b>	<b>351</b>	<b>701</b>
<b>B. Performance Support to the Project</b>								
Support from FDA and Ministry of Agriculture staff on project implementator	Lumpsum	-	-	-	-	-	-	-
<b>C. Travel Costs</b>								
National Travel Costs (Perdien and Tickets)	Lumpsum	20	40	60	1,000	20	40	60
<b>D. Operation and Maintenance</b>								
Vehicle O&M	Per Year	2	2	4	2,000	4	4	8
Vehicle Fuel	Lumpsum	1	1	2	10,000	10	10	20
Insurance	Lumpsum	2	2	4	1,000	2	2	4
<b>Subtotal</b>						<b>16</b>	<b>16</b>	<b>32</b>
E. Office Supplies	Lumpsum	1	1	2	5,000	5	5	10
<b>F. Provincial IDEPA Delegations</b>								
<b>1. Travel Costs</b>								
National Travel Costs (Perdien and Tickets)	Lumpsum	100	200	300	300	30	60	90
<b>2. Operation and Maintenance</b>								
Vehicle O&M	Per Year	5	5	10	500	3	3	5
Motorbike O&M	Per Year	63	63	126	100	6	6	13
Vehicle and Motorbike Fuel	Per Year	5	5	10	10,000	50	50	100
Vehicle Insurance	Per Year	5	5	10	600	3	3	6
Motorbike Insurance	Per Year	63	63	126	200	13	13	25
<b>Subtotal</b>						<b>75</b>	<b>75</b>	<b>149</b>
3. Office Supplies	Lumpsum	5	5	10	1,000	5	5	10
<b>Subtotal</b>						<b>110</b>	<b>140</b>	<b>250</b>
<b>Total Recurrent Costs</b>						<b>501</b>	<b>553</b>	<b>1,054</b>
<b>Total</b>						<b>1,567</b>	<b>636</b>	<b>2,203</b>

### III CONSOLIDATED ANNUAL BUDGET

#### 5.1 Budget Allocations by Component and Financiers

17. As per Table 7, from the total budget of USD 18.6 Million, activities from Component 1 are estimated at USD 5.7 Millions (30.7%), Component 2 – USD 7.7 Million (41.5%), and Component 3 – USD 5.1 Million (27.7%).

Table 7. Budget Allocations by Component and Financiers

Republic of Mozambique  
First 18 Months Annual Work-Plan and Budget  
Components by Financiers  
(US\$ '000)

	GoM		IFAD		Private Sector		Beneficiaries		GEF		Norway		Total		For. Exch.	Local (Excl. Taxes)	Duties & Taxes
	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%			
A. Resilient Artisanal Fisheries and Ecosystem Management	390	6.8	451	7.9	-	-	169	3.0	4,344	76.1	354	6.2	5,708	30.7	549	4,769	390
<b>B. Inclusive Fisheries Value Chain Development and Livelihood Diversification</b>																	
Entrepreneurship and Livelihoods Development	327	6.9	4,007	85.1	377	8.0	-	-	-	-	-	-	4,711	25.4	460	3,924	327
Value Chain Driven, and Climate Resilient Infrastructure Development	206	6.8	2,101	70.0	361	12.0	336	11.2	-	-	-	-	3,004	16.2	290	2,508	206
<b>Subtotal</b>	<b>532</b>	<b>6.9</b>	<b>6,108</b>	<b>79.2</b>	<b>738</b>	<b>9.6</b>	<b>336</b>	<b>4.4</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>7,714</b>	<b>41.5</b>	<b>750</b>	<b>6,432</b>	<b>532</b>
<b>C. Institutional Strengthening, Project Management and Policy</b>																	
Institutional Strengthening and Policy Support	169	5.7	1,687	57.2	-	-	-	-	-	-	1,093	37.1	2,949	15.9	238	2,542	169
Project Coordination and Implementation Support	210	9.5	1,994	90.5	-	-	-	-	-	-	-	-	2,203	11.9	115	1,879	210
<b>Subtotal</b>	<b>379</b>	<b>7.3</b>	<b>3,680</b>	<b>71.4</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,093</b>	<b>21.2</b>	<b>5,152</b>	<b>27.7</b>	<b>353</b>	<b>4,420</b>	<b>379</b>
<b>Total PROJECT COSTS</b>	<b>1,301</b>	<b>7.0</b>	<b>10,239</b>	<b>55.1</b>	<b>738</b>	<b>4.0</b>	<b>505</b>	<b>2.7</b>	<b>4,344</b>	<b>23.4</b>	<b>1,447</b>	<b>7.8</b>	<b>18,574</b>	<b>100.0</b>	<b>1,652</b>	<b>15,621</b>	<b>1,301</b>

#### 5.2. Budget Allocations by Expenditure Accounts and Financiers

18. As per Expenditure Accounts Civil works are estimated at 26% of the total budget, Consultancies 19%, Equipment and materials 11%, Goods, Services and Inputs 4%, Salaries and allowances 6%, and Operating costs 2%.

Table 8. Budget Allocations by Expenditure Accounts and Financiers

Republic of Mozambique  
First 18 Months Annual Work-Plan and Budget  
Expenditure Accounts by Financiers  
(US\$ '000)

	GoM		IFAD		Private Sector		Beneficiaries		GEF		Norway		Total		For. Exch.	Local (Excl. Taxes)	Duties & Taxes
	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%			
<b>I. Investment Costs</b>																	
A. Civil Works	339	7	2,476	52	323	7	505	11	1,132	24	-	-	4,774	26	477	3,958	339
B. Consultancies	249	7	1,660	47	415	12	-	-	857	24	328	9	3,510	19	351	2,910	249
C. Equipment and Materials	266	14	1,560	80	-	-	-	-	71	4	48	2	1,944	11	194	1,484	266
D. Goods, Services and Inputs	56	7	468	59	-	-	-	-	-	-	268	34	792	4	79	667	56
E. Training and Workshops	391	7	2,522	42	-	-	-	-	2,284	38	803	13	6,001	32	550	5,060	391
<b>Total Investment Costs</b>	<b>1,301</b>	<b>8</b>	<b>8,686</b>	<b>51</b>	<b>738</b>	<b>4</b>	<b>505</b>	<b>3</b>	<b>4,344</b>	<b>26</b>	<b>1,447</b>	<b>9</b>	<b>17,021</b>	<b>92</b>	<b>1,652</b>	<b>14,068</b>	<b>1,301</b>
<b>II. Recurrent Costs</b>																	
A. Salaries and Allowances	-	-	1,118	100	-	-	-	-	-	-	-	-	1,118	6	-	1,118	-
B. Operating Costs	-	-	434	100	-	-	-	-	-	-	-	-	434	2	-	434	-
<b>Total Recurrent Costs</b>	<b>-</b>	<b>-</b>	<b>1,553</b>	<b>100</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,553</b>	<b>8</b>	<b>-</b>	<b>1,553</b>	<b>-</b>
<b>Total PROJECT COSTS</b>	<b>1,301</b>	<b>7</b>	<b>10,239</b>	<b>55</b>	<b>738</b>	<b>4</b>	<b>505</b>	<b>3</b>	<b>4,344</b>	<b>23</b>	<b>1,447</b>	<b>8</b>	<b>18,574</b>	<b>100</b>	<b>1,652</b>	<b>15,621</b>	<b>1,301</b>

## ANNEXES

### ANNEX 1. Logical Framework

Results Hierarchy	Indicators				Means of Verification			Assumptions
	Name	Baseline	Mid-Term	End Target	Source	Frequency	Responsibility	
Outreach	<b>1 Persons receiving services promoted or supported by the project</b>				Primary data collected through the project M&E system	Annual	PCU	Project activities are implemented as planned. The target group - especially youth and women - are interested in and capable of engaging more in the fish value chain
	Males - Males	0	22500	45000				
	Females - Females	0	22500	45000				
	Young - Young people	0	18000	36000				
	Internally displaced people	0	4500	9000				
	PwDs	0	1170	2340				
	Total number of persons receiving services - Number of people	0	45000	90000				
	<b>1.b Estimated corresponding total number of households members</b>							
	Household members - Number of people	0	86000	172000				
<b>1.a Corresponding number of households reached</b>								

	Households - Households	0	20000	40000				
<b>Project Goal</b> Sustainably increase the incomes, nutrition and food security by addressing the main barriers to sustainable production and marketing for artisanal fisheries	<b>Households reporting increased annual net income (fish producers, processors, input suppliers)</b>				Demographic health and nutrition survey; COI surveys	Baseline, mid-line, completion	External sources and outsourced COI survey	Economic and weather conditions remain favourable. Economic recovery Political enabling environment and stability in the North region of the country
	Households - Number	0	14000	26000				
	Households - Percentage (%)	0	35%	65%				
	<b>Households in targeted areas who are food-insecure</b>							
	Percentage of households	50%	45%	40%				
<b>Development Objective</b> Increase the sustainability of fishery value chain returns, by promoting responsible fisheries, community conservation and restoration of ecosystems and biodiversity, while also supporting fishery community resilience	<b>2.2.1 Beneficiaries with new jobs/employment opportunities</b>				COI surveys	Baseline, mid-term and completion	Outsourced COI survey	Existence of right macroeconomic and climactic conditions; The promotion of enterprises in the fishing sector leads to job creation; The project responds to the target group needs.
	new jobs - number	0	4000	8000				
	job owner - men	0	2000	4000				
	job owner - women	0	2000	4000				
	job owner - young	0	1600	3200				
	<b>IE.2.1 Individuals demonstrating an improvement in empowerment</b>							
	Total persons - Percentage (%)	0	32%	64%				

through diversification of livelihoods	Total persons - Number of people	0	29250	58500				
	Females - Percentage (%)	0	35%	70%				
	Females - Females	0	15750	31500				
	Males - Percentage (%)	0	30%	60%				
	Males - Males	0	13500	27000				
	<b>SF.2.1 Households satisfied with project-supported services</b>							
	Household members - Number of people	0	68800	137600				
	Households (%) - Percentage (%)	0	40%	80%				
	Households (number) - Households	0	16000	32000				
	<b>SF.2.2 Households reporting they can influence decision-making of local authorities and project-supported service providers</b>							
	Household members - Number of people	0	60200	120400				
	Households (%) - Percentage (%)	0	35%	70%				

	Households (number) - Households	0	14000	28000				
	<b>1.2.8 Women reporting minimum dietary diversity (MDDW)</b>							
	women (number)	0	5000	10000				
	women (percentage)	0	41%	83%				
	Households (number) - Households	0	5000	10000				
	Households (percentage)	0	41%	83%				
	Total number of household members - Number of people	0	21500	43000				
<b>Outcome</b> Outcome 1: Increased resilience of Artisanal Fisheries	<b>3.2.2 Households reporting adoption of environmentally sustainable and climate-resilient technologies and practices</b>				COI surveys	Baseline, mid-line, completion	Outsourced COI survey	Economic and weather conditions remain favourable. The technologies and practices promoted by the
	Total number of household members - Number of people	0	51600	103200				
	Households - Percentage (%)	0	30%	60%				



	Households - Households	0	12000	24000			project are suited for the target areas and the target group.	
	<b>1.2.4 Households reporting an increase in production</b>							
	Households - number	0	14000	28000				
	Households - %	0	35%	70%				
	Total household members	0	60200	120400				
<b>Output</b> Output 1.1. Effective fisheries management promoted	<b>1.1.4 Persons trained in production practices and/or technologies</b>				Primary data collected through the project M&E system	Annual	PCU	Existing CCPs are interested in and able to increase their role, and new CCPs can be created where they do not exist
	Males trained in fisheries	0	11000	21000				
	Females trained in fisheries	0	4500	9000				
	Young trained in fisheries	0	6000	12000				
	total persons trained in fisheries	0	15000	30000				

<b>Output</b> Output 1.2 Rehabilitated coastal habitat increased	<b>3.1.1 Groups supported to sustainably manage natural resources and climate-related risks</b>				Primary data collected through the project M&E system	Annual	PCU	Target group actively participates in training activities; the new technologies promoted by the project respond to artisanal fishermen's needs
	Total size of groups - Number of people	0	1200	2400				
	number of groups	0	120	240				
	women	0	400	720				
	men	0	800	1680				
	youth	0	450	960				
	<b>Number of CCPs led by women</b>							
	Percentage of groups	0	10%	20%				
<b>Outcome</b> Outcome 2: improved economic resilience and profitability of artisanal fisheries and local livelihoods	<b>Increase in volume and value of fish traded from the artisanal fisheries</b>				Open Art Fish platform	Annual	ADNAP	Economic and weather conditions remain favourable, infrastructure activities carried out by the project
	total annual volume in targeted districts (tons)	231 495	290 000	329 949				
	Total annual value in targeted districts (\$)	329 449 000	350 000	370 876 000				
	<b>2.2.2 Supported rural enterprises reporting an increase in profit</b>				COI survey, Primary data			

	Number of enterprises - Enterprises	0	430	860	collected through the project M&E system	Baseline, mid & end line	PCU and outsourced COI survey	are implemented as planned.
	Percentage of enterprises - Percentage (%)	0	40%	80%				
	<b>Number of persons benefitting from rehabilitated feeder roads</b>				Primary data collected through the project M&E system and population census	Annual	PCU	
	Number of persons	0	16000	32500				
<b>Output</b> Output 2.1 Sustainable fisheries enterprises and alternative livelihoods developed	<b>2.1.1 Rural enterprises accessing business development services</b>				Primary data collected through the project M&E system	Annual	PCU	Enterprises in the fisheries sector are willing to form 4Ps and to engage with project activities
	Rural enterprises - number	0	500	1 080				
	<b>2.1.2 Persons trained in income-generating activities or business management</b>				Primary data collected	Annual	PCU	The target group - especially youth

Persons	0	5000	10000
Males - Males	0	2500	5000
Females - Females	0	2500	5000
Young - Young people	0	1000	2000
<b>1.1.7 Persons in rural areas trained in financial literacy and/or use of financial products and services</b>			
total number of people	0	12000	24000
males	0	3600	7200
females	0	8400	16800
young	0	4800	9600
<b>Number of PCRs who received credit from a finance institution</b>			
Number	0	60	120
<b>1.1.8 Households provided with targeted support to improve their nutrition</b>			
total persons	0	6000	12000
males	0	0	0
females	0	6000	12000
young	0	2400	4800

through the project M&E system

and women - are interested in and capable of engaging more in the fish value chain

	number of households	0	6000	12000			
	Total number of household members - Number of people	0	25800	51600			
<b>Output</b> Output 2.4 Resilient fisheries value chain infrastructure established	<b>2.1.5 Roads constructed, rehabilitated or upgraded</b>						
	Length of roads - Km	0	100	360			
	<b>Number of management agreements established and operating</b>						
	Number	0	8	14			
	<b>2.1.6 Market, processing or storage facilities constructed or rehabilitated</b>						
	Total number of facilities - Facilities	0	13	26			
	Market facilities constructed/rehabilitated - Facilities	0	5	12			
	Processing facilities constructed/rehabilitated - Facilities	0	3	4			
Storage facilities constructed/rehabilitated - Facilities	0	5	10				
	<b>Policy 1 – Policy-relevant knowledge products completed</b>				Annual	PCU	

<p><b>Output</b> Output 3.1 Strengthened fisheries institutions and extension services</p>	<p>Number of products - Number</p>	<p>0</p>	<p>1</p>	<p>2</p>	<p>Primary data collected through the project M&amp;E system</p>		<p>Knowledge management activities are demand-driven and closely linked to the project's policy-engagement objectives</p>
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## **Mozambique**

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### **Artisanal Fisheries Resilient Development Project Project Design Report**

#### **Annex 7: Procurement Plan for first 18 months**

Mission Dates: 22 May – 09 June  
Document Date: 25/10/2023  
Project No. 2000004008  
Report No. 6599-MZ

East and Southern Africa Division  
Programme Management Department





## Procurement Plan SUMMARY

Country:	Mozambique			
Project Name:	Artisanal Fisheries Resilient Development Project			
Project ID:	xxxxxxx			
Version	1.0			
Version Date	30-Jul-23			
Prepared by:				
Approved by:				
Procurement Category	Plan		Actual	
Currency	USD	LCU	USD	LCU
Goods	2 905 000.00	-	5 000.00	-
Works	26 000.00	-	-	-
Consulting Services	3 089 000.00	-	-	-
Non-Consulting Services	-	-	-	-
Grants	-	-	-	-
<b>TOTAL</b>	<b>6 020 000.00</b>	<b>-</b>	<b>5 000.00</b>	<b>-</b>

The threshold tables below are based on the new LTB Template 2020.  
Please fill in the fields that are applicable based on the provisions in the LTB for the project.

Prior Review Thresholds					
Category	Goods and goods-related Non-Consulting Services	Works and works-related Non-Consulting Services	Consulting Services and related Non-Consulting Services and/or MoU/Agreements	Individual Consultants	Decisions concerning Abnormally Low Bids shall be subject to the No Objection of IFAD:
Threshold	>= US\$ 70,000.00	>= US\$100,000.00	>= US\$ 60,000.00	>= US\$ 30,000.00	Only for procurement activities subject to prior review <b>OR</b> For all procurement activities

All Direct Contracting and Single-Source Procurements are **Prior Review** (in alignment with IFAD Procurement Handbook), or based on the thresholds stipulated in the LTB

The exchange rate at time of submission will be used for reviews.

Procurement Method Thresholds						
	CQS	QBS/LCS/FBS	QCBS	Shortlisting	SSS - Firms	SSS - Individuals
Consulting Services and related Non-Consulting Services	<= US\$ 70,000.00	< US\$ 150,000.00	>= US\$150,000.00	>= US\$100,000.00	For values indicated in the PAL and in the PP with due Justification)	For values indicated in the PAL and in the PP with due Justification.
	<b>Direct Contracting</b>	<b>Shopping</b>	<b>NCB</b>	<b>ICB</b>	Other Procurement Methods or Arrangements	
Goods and goods-related Non-Consulting Services	For values indicated in the PAL and in the PP with due Justification)	<= US\$100,000.00	< US\$ 200,000.00	>= US\$200,000.00	<b>Force Account</b>	Up to a maximum aggregate amount of: US\$ 0.00 (subject to prior review)
Works and works-related Non-Consulting Services	For values indicated in the PAL and in the PP with due Justification.	<= US\$ 250,000.00	< US\$ 1,000,000.00	>= US\$ 1,000,000.00	<b>Community Participation</b>	Allowed <b>OR</b> Not Allowed



Procurement Plan - Goods

Mozambique

Artisanal Fisheries Resilient Development Project

Project ID: xxxxxxx

Prepared by:

Approved by:

Procurement

Methods

NS: National

Shopping

IS:

International

Shopping

NCB: National

Competitive

Bidding

ICR

Version	1.0	30-Jul-23	Bidding Process			Bid Evaluation				Contract Award & Sign					
AWPB/Component Ref	Nº	Description	No-objection Date	Bid Invitation Date	Bid Closing-Opening	Submission Tech Eval Rpt	No-objection Date	Submission Combined Eval Rpt*	No-objection Date	Plan vs. Actual	Issue of NOITA&Standsti II	Date Contract Award	Submission of Draft Contract	No-Objection Date	Date Contract Signature
C21A35	1	Inputs for nutrition sessions for vulnerable HHs (seeds and tools for kitchen gardens)		#VALUE!	#VALUE!	#VALUE!	#VALUE!	#VALUE!	#VALUE!	Plan	#VALUE!	#VALUE!	#VALUE!	#VALUE!	#VALUE!
										Actual					
C1A3	2	Procurement of 100 Energy efficient stoves	#VALUE!	#VALUE!	#VALUE!	#VALUE!	#VALUE!	#VALUE!	#VALUE!	Plan	#VALUE!	#VALUE!	#VALUE!	#VALUE!	#VALUE!
										Actual					
C31A13	3	Production of audio and visual materials on mariculture	#VALUE!	#VALUE!	#VALUE!	#VALUE!	#VALUE!	#VALUE!	#VALUE!	Plan	#VALUE!	#VALUE!	#VALUE!	#VALUE!	#VALUE!
										Actual					
C31A7, C31A34	4	TV and radio awareness campaigns on environmental,gender and nutrition issues and dissemination of procedures on hygiene and sanitation.	#VALUE!	#VALUE!	#VALUE!	#VALUE!	#VALUE!	#VALUE!	#VALUE!	Plan	#VALUE!	#VALUE!	#VALUE!	#VALUE!	#VALUE!
										Actual					
C31A7	5	Financial Management Software e-Sistafe	#VALUE!	#VALUE!	#VALUE!	#VALUE!	#VALUE!	#VALUE!	#VALUE!	Plan	#VALUE!	#VALUE!	#VALUE!	#VALUE!	#VALUE!
										Actual					
C21A17	6	Procure materials and assemble farming structures (seaweed, mussels and sea cucumber).	#VALUE!	#VALUE!	#VALUE!	#VALUE!	#VALUE!	#VALUE!	#VALUE!	Plan	#VALUE!	#VALUE!	#VALUE!	#VALUE!	#VALUE!
										Actual					
C31A23	7	Acquisition of research equipment (fishing nets, specialised computers and eco sounders) for InOM for use in assessment of artisanal fishing stocks	#VALUE!	#VALUE!	#VALUE!	#VALUE!	#VALUE!	#VALUE!	#VALUE!	Plan	#VALUE!	#VALUE!	#VALUE!	#VALUE!	#VALUE!
										Actual					
C32A22	8	Office furniture (15 complete desks with cupboards, chairs and file units)	#VALUE!	#VALUE!	#VALUE!	#VALUE!	#VALUE!	#VALUE!	#VALUE!	Plan	#VALUE!	#VALUE!	#VALUE!	#VALUE!	#VALUE!
										Actual					
C22A12, C21A1, C32A2, C32A18	9	Procure 8 vehicles (7No. 4x4 Double cabin & 1No. Sedans)	#VALUE!	#VALUE!	#VALUE!	#VALUE!	#VALUE!	#VALUE!	#VALUE!	Plan	#VALUE!	#VALUE!	#VALUE!	#VALUE!	#VALUE!
										Actual					



Version 1.0 30-Jul-23			Basic Data										EOI Shortlist Procedure							
AWPB/Component Ref	No	Description*	Grant	Non Consulting	Funding	Project Area or Procuring Entity	Plan vs. Actual	Shortlist (Yes No)	Prior or Post Review	Procurement Method	Amount (USD)	Amount (LCU)	Plan vs. Actual	Submission of REOI	No Objection Date	REOI Launch Date	EOI Submission Deadline	Submission of Shortlist Report	No Objection Date	Submission of RFP/RCQ
C31A26	13	Consultancy for mapping and determination of the state of fisheries ecosystems			IFAD		Plan	Yes	Prior Review	LCS	66 000.00		Plan	15-Oct-24	#VALUE!	#VALUE!	#VALUE!	#VALUE!	#VALUE!	#VALUE!
							Actual				-	-	Actual							

Procurement Plan - Consulting

Mozambique

Artisanal Fisheries Resilient Development Project

Project ID: xxxxxxx

Prepared by:

Approved by:

**Selection Methods**

QCBS: Quality and Cost-Based Selection

QBS: Quality-Based Selection

CQS: Selection by Consultants' Qualifications (shortlist is required)

LCS: Least-Cost Selection

FBS Fixed Budget Selection

ICS: Individual Consultants Selection (shortlist is required for I

SSS: Sole Source Selection

Selection (Design/PIM): Single Sourcing established in the procurement implementation manual

Version		1.0 30-Jul-23		Proposal Process			Evaluation				Contract Award & Signatures					
AWPB/Component Ref	No	Description*	No-objection Date	RFP/RCQ Launch Date	Proposal submission deadline	Submission of TER	No-objection Date	Submission of CER	No-objection Date	Plan vs. Actual	Issue of NOITA&Stands till	Date Contract Award	Negotiations completed	Submission of Draft Contract	No-objection Date	Date Contract Signature
C21A18	1	Consultancy to carry out trials and assess technical and financial viability of implementation of fish farmers successful experiments	#VALUE!	#VALUE!	#VALUE!	#VALUE!	#VALUE!	#VALUE!	#VALUE!	Plan	#VALUE!	#VALUE!	#VALUE!	#VALUE!	#VALUE!	#VALUE!
											Actual					
C21A26	2	Consultancy for site assessment and programme design for FADs and Artificial Reefs	#VALUE!	#VALUE!	#VALUE!	#VALUE!	#VALUE!	#VALUE!	#VALUE!	Plan	#VALUE!	#VALUE!	#VALUE!	#VALUE!	#VALUE!	#VALUE!
											Actual					
C21A36, C21A	3	Engage 2 service provider (management and implementation of related costs)	#VALUE!	#VALUE!	#VALUE!	#VALUE!	#VALUE!	#VALUE!	#VALUE!	Plan	#VALUE!	#VALUE!	#VALUE!	#VALUE!	#VALUE!	#VALUE!
											Actual					
C21A38	4	Recruit GALS Experts	#VALUE!	#VALUE!	#VALUE!	#VALUE!	#VALUE!	#VALUE!	#VALUE!	Plan	#VALUE!	#VALUE!	#VALUE!	#VALUE!	#VALUE!	#VALUE!
											Actual					
C21A21	5	Recruit a consultant to access opportunities and design programme on fishing trials and demonstration	#VALUE!	#VALUE!	#VALUE!	#VALUE!	#VALUE!	#VALUE!	#VALUE!	Plan	#VALUE!	#VALUE!	#VALUE!	#VALUE!	#VALUE!	#VALUE!
											Actual					
C21A13	6	Consultancy to design and supervise operationalization of fish markets operation and management of fish markets	#VALUE!	#VALUE!	#VALUE!	#VALUE!	#VALUE!	#VALUE!	#VALUE!	Plan	#VALUE!	#VALUE!	#VALUE!	#VALUE!	#VALUE!	#VALUE!
											Actual					
C21A9	7	Consultancy to carry out capacity assessment of associations/cooperatives	#VALUE!	#VALUE!	#VALUE!	#VALUE!	#VALUE!	#VALUE!	#VALUE!	Plan	#VALUE!	#VALUE!	#VALUE!	#VALUE!	#VALUE!	#VALUE!
											Actual					
C31A2	8	Recruit TA for to provide M&E service during start up and implementation	#VALUE!	#VALUE!	#VALUE!	#VALUE!	#VALUE!	#VALUE!	#VALUE!	Plan	#VALUE!	#VALUE!	#VALUE!	#VALUE!	#VALUE!	#VALUE!
											Actual					
C21A31	9	Consultancy to update nutrition education training modules and conduct trainings	#VALUE!	#VALUE!	#VALUE!	#VALUE!	#VALUE!	#VALUE!	#VALUE!	Plan	#VALUE!	#VALUE!	#VALUE!	#VALUE!	#VALUE!	#VALUE!
											Actual					
C31A16	10	Consultancy to develop a Gender Policy	#VALUE!	#VALUE!	#VALUE!	#VALUE!	#VALUE!	#VALUE!	#VALUE!	Plan	#VALUE!	#VALUE!	#VALUE!	#VALUE!	#VALUE!	#VALUE!
											Actual					
C31A19	11	Recruit TA for nutrition mainstreaming into gender policy	#VALUE!	#VALUE!	#VALUE!	#VALUE!	#VALUE!	#VALUE!	#VALUE!	Plan	#VALUE!	#VALUE!	#VALUE!	#VALUE!	#VALUE!	#VALUE!
											Actual					
C21A29	12	Recruit consultant to provide technical assistance and monitoring implementation of activities on entrepreneurship and livelihood development	#VALUE!	#VALUE!	#VALUE!	#VALUE!	#VALUE!	#VALUE!	#VALUE!	Plan	#VALUE!	#VALUE!	#VALUE!	#VALUE!	#VALUE!	#VALUE!
											Actual					





Procurement Plan - WORKS

Mozambique

Artisanal Fisheries Resilient Development Project

Project ID: xxxxxxx

Prepared by:

Approved by:

	USD	LCU	
Total Amount	26 000.00	0.00	Plan
	0.00	0.00	Actual
Non-Consulting:	0.00	0.00	Plan
	0.00	0.00	Actual

Version			Basic Data											Pre-Qualification							
AWPB/Component Ref	No	Description	Non Consulting	Funding	Lot No/Description	Project Area or Procuring Entity	Plan vs. Actual	Pre-or Post Qualification	Prior or Post Review	Procurement Method	Envelopes	Amount (USD)	Amount (LCU)	Plan vs. Actual	Submission of PreQual Docs	No Objection Date	PreQual Invitation Date	PreQual Closing Date	Submission of PreQual Report	No Objection Date	Submission of BD
C32A14	1	Rehabilitation of IDEPA offices for the PMU		IFAD			Plan	Post-Qual	Post Review	NS	1	26 000.00		Plan	N/A	#VALUE!	#VALUE!	#VALUE!	#VALUE!	#VALUE!	2-Apr-24
							Actual						-	-	Actual						
							Plan							Plan		#VALUE!	#VALUE!	#VALUE!	#VALUE!	#VALUE!	#VALUE!
							Actual					-	-	Actual							
							Plan							Plan		#VALUE!	#VALUE!	#VALUE!	#VALUE!	#VALUE!	#VALUE!
							Actual					-	-	Actual							
							Plan							Plan		#VALUE!	#VALUE!	#VALUE!	#VALUE!	#VALUE!	#VALUE!
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							Plan							Plan		#VALUE!	#VALUE!	#VALUE!	#VALUE!	#VALUE!	#VALUE!
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							Actual					-	-	Actual							
							Plan							Plan		#VALUE!	#VALUE!	#VALUE!	#VALUE!	#VALUE!	#VALUE!
							Actual					-	-	Actual							

Procurement Plan - WORKS

Mozambique

Artisanal Fisheries Resilient Development Project

Project ID: xxxxxxx

Prepared by:

Approved by:

**Procurement Methods**  
 NS: National Shopping  
 IS: International Shopping  
 NCB: National Competitive Bidding  
 ICB:

Version			Bidding Process			Bid Evaluation				Contract Award					
AWPB/Component Ref	Ne	Description	No-objection Date	Bid Invitation Date	Bid Closing-Opening	Submission Tech Eval Rpt	No-objection Date	Submission Combined Eval Rpt*	No-objection Date	Plan vs. Actual	Issue of NOITA&Standstill	Date Contract Award	Submission of Draft Contract	No-objection Date	Date Contract Signature
C32A14	1	Rehabilitation of IDEPA offices for the PMU	#VALUE!	#VALUE!	#VALUE!	#VALUE!	#VALUE!	#VALUE!	#VALUE!	Plan	#VALUE!	#VALUE!	#VALUE!	#VALUE!	#VALUE!
											Actual				
			#VALUE!	#VALUE!	#VALUE!	#VALUE!	#VALUE!	#VALUE!	#VALUE!	Plan	#VALUE!	#VALUE!	#VALUE!	#VALUE!	#VALUE!
										Actual					
			#VALUE!	#VALUE!	#VALUE!	#VALUE!	#VALUE!	#VALUE!	#VALUE!	Plan	#VALUE!	#VALUE!	#VALUE!	#VALUE!	#VALUE!
										Actual					
			#VALUE!	#VALUE!	#VALUE!	#VALUE!	#VALUE!	#VALUE!	#VALUE!	Plan	#VALUE!	#VALUE!	#VALUE!	#VALUE!	#VALUE!
										Actual					
			#VALUE!	#VALUE!	#VALUE!	#VALUE!	#VALUE!	#VALUE!	#VALUE!	Plan	#VALUE!	#VALUE!	#VALUE!	#VALUE!	#VALUE!
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			#VALUE!	#VALUE!	#VALUE!	#VALUE!	#VALUE!	#VALUE!	#VALUE!	Plan	#VALUE!	#VALUE!	#VALUE!	#VALUE!	#VALUE!
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										Actual					
			#VALUE!	#VALUE!	#VALUE!	#VALUE!	#VALUE!	#VALUE!	#VALUE!	Plan	#VALUE!	#VALUE!	#VALUE!	#VALUE!	#VALUE!
										Actual					
			#VALUE!	#VALUE!	#VALUE!	#VALUE!	#VALUE!	#VALUE!	#VALUE!	Plan	#VALUE!	#VALUE!	#VALUE!	#VALUE!	#VALUE!
										Actual					

## **Mozambique**

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### **Artisanal Fisheries Resilient Development Project Project Design Report**

#### **Annex 8: Project Implementation Manual (PIM)**

Mission Dates: 22 May – 09 June

Document Date: 25/10/2023

Project No. 2000004008

Report No. 6599-MZ

East and Southern Africa Division  
Programme Management Department



## **Republic of Mozambique**

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**Artisanal Fisheries Resilient Development Project (PROPEIXE)**

**Project Implementation Manual (PIM)**

July, 2023

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## ABBREVIATIONS AND ACRONYMS

ADNAP	Fisheries National Administration
ANAC	National Administration of Conservation Areas
ANE	Roads National Administration
AWPB	First Annual Work Plan and Budget
BDS	Business advisory and Development Services
CBO	Community-Based Organization
CCA	Community Conservation Areas
CCP	Fisheries Community Council
COI	Core Indicators
COSOP	Country Strategic Opportunities Programme
CTA	Confederation of Economic Associations
CUT	Single Treasury Account
DA	Designated Account
DDR	Disarming, Demilitarization and Reintegration
DIF	Disability Inclusion Facilitators
DTM	Displacement Tracking Matrix
EDM	National Electricity Company
EFA	Economic and Financial Analysis
ENAMMC	National Climate Change Adaptation and Mitigation Strategy
END	National Development Strategy
EPC	Engineering, Procurement and Construction
ERR	Economic Rate of Return
ESAN	National Strategy for Food Security and Nutrition
e-SISTAFE	State Financial Management Information System
ESMF	Environment and Social Management Framework
EU	European Union
EWS	Early Warning System
FAO	Food and Agriculture Organization
FM	Financial Management
FPIC	Free Prior and Informed Consent
FRELIMO	<i>Frente de Libertação de Moçambique</i>
FUNAE	National Energy Fund
GALS	Gender Action Learning System
GDP	Gross Domestic Product
GEF	Global Environment Facility
GEWE	Gender Equity and Women's Empowerment
GHG	Greenhouses Gases
GRM	Grievance Redress Mechanism
GR4W	Green Roads for Water
LF	Logical Framework
LNG	Liquefied Natural Gas LNG
LPA	Lead Programme Agency
IA	Implementing Agency
ICT	Information Communication Technology
IDEPA	National Institute for Development of Fisheries and Aquaculture
IDPs	Internally Displaced People
IGA	Income Generating Activities
ILO	International Labor Organization
IPC	Integrated Food Security Phase Classification
INAM	Meteorology National Institute
INAMAR	National Sea Institute
INFRAPESCA	National Institute for Fisheries Infrastructure
INGD	National Institute for Disaster Management
INIP	National Institute for Fisheries Inspection

InOM	Oceanographic Institute of Mozambique
IOM	International Organization for Migration
IPC	Integrated Food Security phase classification
IPRM	Integrated Project Risk Matrix
KAP	Knowledge Attitudes and Practice
KM	Knowledge Management
MEF	Ministry of Economy and Finance
M&E	Monitoring and Evaluation
MIMAIP	Ministry of Sea, Inland Waters and Fisheries
MIREME	Ministry for Mineral Resources and Energy
MPA	Marine Protected Area
MTA	Ministry of Land and Environment
MTC	Ministry of Transport and Communications
MOPHRH	Ministry of Public Work, Housing and Hydric Resources
MSME	Micro, Small, Medium Enterprise
NAP	National Adaptation Plan
NDC	Nationally Determined Contribution
ND-GAIN	Notre Dame Global Adaptation Initiative
NORAD	Norwegian Agency for Development Cooperation
NPMU	National Project Management Unit
NPV	Net Present Value
NRM	Natural Resources Management
ODK	Open Data Kit
OM	Operations and Maintenance
ORMS	Operational Results Management System
PAMRDC	Multisectoral Action Plan for the Reduction of Chronic Undernutrition
PASAN	National Plan for Food Security and Nutrition
PCR	Savings and Credit Groups
PDO	Project Development Objective
PDR	Project Design Report
PEDSA	Agriculture Development Strategy
PESPA	Master Plan for Fisheries II and the Artisanal Fisheries Development Plan
PIM	Project Implementation Manual
PMU	Project Management Unit
PP	Procurement Plan
PPP	Public Private Partnerships
4P	Public Private Producer Partnership
PROAZUL	Fund for Development of Blue Economy
PROAQUA	Project for Promotion of Small-Scale Aquaculture
PROCAVA	Inclusive Agri-food Value Chain Development Programme
PRODAPE	Small-scale Aquaculture Development Project
PRODIRPA	Project for the Strengthening of Access Rights to Resources for Artisanal Fishermen
PROPEIXE	Artisanal Fisheries Resilient Development Project
PROPESCA	Artisanal Fisheries Promotion Project
PRN	Nutritional Rehabilitation Program
PSC	Project Steering Committee
PwD	Persons with Disability
REDD+	Reduction of Emissions from Deforestation and Degradation
REFP	Rural Enterprise Financing Project
RM	<i>Rádio Moçambique</i>
RENAMO	<i>Resistência Nacional Moçambicana</i>
REPMAR	Maritime Fisheries Regulation
RMC	Road Maintenance Committee
SAI	Supreme Audit Institution
SBCC	Social Behaviour Change and Communication
SDAE	District Services of Economic Activities
SDG	Sustainable Development Goals

SECAP	Social, Environment and Climate Assessment Procedures
SGBV	Sexual Gender-Based Violence
SI	Social Inclusion
SM	Social Mobilizer
SO	Strategic Objective
SPARK	Sparking Disability Inclusive Rural Transformation
SWIOFC-NC PP	Nairobi Convention Partnership for Resilience Marine and Coastal Ecosystems and Livelihoods
TA	Administrative Court
ToC	Theory of Change
TVET	Technical and Vocational Education and Training
UN	United Nations
UNDP	United Nations Development Programme
UNFCCC	United Nations Framework Convention on Climate Change
VC	Value Chain
WASH	Water, Sanitation and Hygiene
WB	World Bank
WFP	World Food Programme
WWF	World Wild Fund

## MAP OF PROJECT AREA



The designations employed and the presentation of the material in this map do not imply the expression of any opinion whatsoever on the part of IFAD concerning the delimitation of the frontiers or boundaries, or the authorities thereof.  
 Map compiled by IFAD | 30-06-2023

## BACKGROUND

1. The Artisanal Fisheries Resilient Development Project (PROPEIXE), was designed by the Government of Mozambique and IFAD in 2023. The project was approved in the same year by IFAD, in order to support the Government of Mozambique in addressing the key challenges of the marine artisanal fisheries sector including: i. the degradation of marine natural resources and its negative impact on fisheries stocks; ii. low profitability of the fishing activity due to inefficiencies and value chain fragmentation; iii. poor fish handling; iv. mobility of youth away from the sector and invisibility of women's contribution to post capture activities; v. vulnerability of coastal fisheries value chain infrastructure due to climate shocks; and vi. the need to strengthen the capacity of relevant Government institutions in the delivery of last mile services.
2. The PROPEIXE goal is "sustainably increase the incomes, nutrition and food security by addressing the main barriers to sustainable production and marketing for artisanal fisheries". The Project Development Objective (PDO) is to "increase the sustainability of fishery value chain returns, by promoting responsible fisheries, community conservation and restoration of ecosystems and biodiversity, while also supporting fishery community resilience through diversification of livelihoods".
3. The project will be implemented in 21 coastal districts in 05 provinces of the country namely: 3 in Inhambane (Govuro, Inhassoro e Vilankulo), 4 in Sofala (Beira, Muanza, Buzi e Machanga), 5 in Zambézia (Pebane, Chinde, Mocubela, Maganja da Costa e Quelimane), 5 in Nampula (Memba, Ilha de Moçambique, Mossuril, Angoche, Moma) and 4 in Cabo Delgado (Pemba, Metuge, Quissinga and Mocímba Praia).
4. PROPEIXE expects to achieve a total of 90.000 direct beneficiaries or 40.000 households, corresponding to approximately 200.000 household members. The main target group consists of small-scale fishers engaged in artisanal fishery (production level) and other sector along the value chain (e.g. processing, marketing and service provision) deriving most of their income from fish production and post-production at different scale, from subsistence to market oriented. The project will also target community organizations and businesses including transformation drivers. Furthermore, the project will have a focus to target specific vulnerable groups such as women, youth, Persons with Disability (PWD) and also Internally Displaced People (IDPs) in the Northern Provinces.
5. The present document constitutes the PROPEIXE Implementation Manual (PIM), that aims to ensure the establishment of guidelines, procedures and rules guiding the overall Project coordination, management, and implementation process. It is a guiding and reference document for the Leading Agency (LA), Designated Entity (DE) and mainly for the Programme Management Units, responsible for the daily Project management.
6. The Specific objectives of PIM are as follows:
  - i. To establish a guiding framework for the selection of Project beneficiaries, to assure effective targeting, with special attention on women, youth and vulnerable groups including people with disabilities and displaced people by conflicts;
  - ii. To identify tasks and responsibilities of the various stakeholders involved in the Project implementation process, at national, provincial and district level;
  - iii. To ensure a strategic framework guiding the overall implementation of Project components while integrating crosscutting issues: gender, youth, social inclusion, people with disability (PWD), nutrition, climate adaptation, social and environmental safeguards, natural resources management and financial services;
  - iv. To strengthen the capacities and equip the Project Management Units (PMUs), with tools, methodologies and procedures on financial management, procurement, administration and contract management; and

- v. To establish guiding methodologies for planning, monitoring, evaluation, knowledge management and communication including the promotion of the Project visibility.
7. The PIM is structured in 5 parts, namely:
- Part 1: Framework and Responsibilities;
  - Part 2: Detailed Description of Components and Modalities of Implementation
  - Part 3: Institutional Arrangements
  - Part 4: Project Procedures
  - Part 5: Annexes

## **PART 1      FRAMEWORK AND RESPONSIBILITIES**

### **1.1    Definitions**

8. **Food insecurity** is the inability to obtain sufficient food (in terms of calories) and other essential goods and services to leave a healthy life.
9. **Implementing Agencies (IAs)** are the agencies responsible for implementation of the project in the way that they form part of the Annual Workplan and Budget (AWPB) and receive funding directly from the Project for approved activities.
10. **Partners** of the project are strategic agencies, entities or organizations who support the achievement of Project objectives, either national, regional or international. While these may be paid for undertaking specific activities or supplying specific services, they differ from implementing agencies in the modalities in which these activities are planned and executed. Financing may not be involved at all.
11. **Project** refers to the Artisanal Fisheries Resilient Development Project (PROPEIXE).
12. **Project Implementation Manual (PIM)** is an annex to the Project Design Report (PDR) that provides practical guidance to Project implementers on key implementation aspects. It describes in detail how the Project components and activities outlined in the PDR are intended to be implemented. The PIM outlines the detailed mechanisms, processes and procedures, formats, eligibility criteria etc. which will ensure efficient Project implementation and achievement of the envisaged Project results. This is a living document and may be updated at any time, as needed, during implementation.

### **1.2    Beneficiaries and targeting strategy**

13. **PROPEIXE goal** is to “sustainably increase the incomes, nutrition and food security by addressing the main barriers to sustainable production and marketing for artisanal fisheries”. The **Project Development Objective (PDO)** is to “increase the sustainability of fishery value chain returns, by promoting responsible fisheries, community conservation and restoration of ecosystems and biodiversity, while also supporting fishery community resilience through diversification of livelihoods”.
14. **Target Group.** The artisanal fisheries interventions will cover fishing communities along the coastline, targeting mainly households who are poor and on the fringes of the market economy, with high vulnerability due to the impact of climate change. The main target group consists of small-scale fishers engaged in artisanal fishery (production level) and other sectors along the value chain (e.g. processing, marketing and service provision) deriving most of their income from fish production and post-production at different scale, from subsistence to market oriented. The project will also target community organizations and businesses including transformation drivers. In addition, the project will have a focus to target specific vulnerable groups such as women, youth, Persons with Disability (PwD) and also Internally Displaced People (IDPs) in the Northern Provinces (Nampula and Cabo Delgado).

15. The Project will use the following targeting approaches:
- Geographical targeting for selection of the districts;
  - Household targeting for identification and selection of households which meet the poverty criteria using community based participatory approaches (wealth ranking);
  - Direct targeting for selection of women (and women head of households) youth, and other vulnerable categories (IDPs, PwDs) for specific project interventions, in order to guarantee their inclusion to access project services and also decision making and representation.
16. **Geographic targeting and criteria:** The geographic area covers five provinces: Inhambane, Sofala, Zambézia, Nampula and Cabo Delgado and a total number of 21 districts. (Table 1)

Table 1. Geographic targeting province and districts

Province	Districts
Cabo Delgado	Pemba, Metuge, Quissanga and Mocímba Praia (4)
Nampula	Memba, Ilha de Moçambique, Mossuril, Angoche, Moma (5)
Zambézia	Pebane, Chinde, Mocubela, Maganja da Costa e Quelimane (5)
Sofala	Beira, Muanza, Buzi e Machanga (4)
Inhambane	Govuro, Inhassoro e Vilankulo (3)

17. The provinces, districts, and fishing growth poles have been selected based on the following criteria:
- i. Conditions and potential of fishing resources (including data on number of fishers; percentage of production; number of boats and gears);
  - ii. Socio-economic (poverty and food insecurity rates);
  - iii. Habitats diversity and environmental challenges (highly affected ecosystems);
  - iv. areas most affected by climatic shocks.
  - v. Other elements such as: distances for project implementation as well presence of other interventions in order to create synergies and maximize the impact.
18. **Programme participants and outreach:** The total programme outreach is estimated at 90 000 beneficiaries or 40 000 households corresponding to 172 000 individuals (household members)<sup>1</sup>. The number of households reached is lower than the number of direct beneficiaries because the project will not adopt the approach of one beneficiary per household. For example, one Fishermen and his youth son could be receiving training and improved fishing equipment, while in the same household the wife is benefiting from IGA, participating in savings groups or even Nutrition improvement activities. Among these 90 000 persons, approximately 57 500 persons will receive a full set of project services (e.g. information, demonstration and training, access to finance), while an estimated number of 32 500 persons will be solely beneficiaries of the rehabilitated feeder roads. Women will

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<sup>1</sup> Average household size 4.3



constitute at least 50 per cent of the total programme beneficiaries (about 27 800) and youth 40 per cent (corresponding 23 000 persons).

19. The target groups consist of:

- **Small-scale artisanal fishers, fish processors and traders** (including small boat owners, crew members, intertidal collectors, fish processors, fish marketers, distributors etc.) directly engaged along the VC (production and post-harvest) that will be engaged either as individuals or as business-oriented groups/SMEs. This primary target group includes households engaged in the fisheries sector from different socioeconomic levels and along different nodes of the value chain. This includes households owning assets with access to market and credit and the more vulnerable which represent the majority. Typically, small-scale artisanal fishers (including also intertidal collectors) are economically poor, unable to cope with negative shocks (e.g. economic, climatic and environmental) and are at risk to fall into poverty. They are characterized by limited access to assets and technologies, weak capacity to organize in groups/associations and using relatively small amounts of capital and energy, inefficient technologies and making short fishing trips close to shore (putting pressure on the marine ecosystem).
- **Vulnerable households in coastal communities** not directly engaged in fishing but interested to engage in economic activities along selected links of the fisheries value chain, or develop alternative income generating activities (IGAs) including conservation activities. The Target group includes households facing different degrees of poverty and vulnerability, being:
  - i. unemployed youth interested in establishing business enterprises to respond to market demand for fishery products and services, e.g. boat building/repairs, boat engine repairs, making/mending nets, outlets for fishing inputs, ice making, fish distribution etc;
  - ii. women and women-headed households who are directly involved in fish processing/selling and other income generating activities such as food businesses;
  - iii. vulnerable and marginalised groups such as youth, PwD and also IDPs) ranking among the most vulnerable.
  - iv. Furthermore, considering the high level of malnutrition and poor dietary diversity among fisher communities another specific target group will be women head of households and women with children under five.

20. It is expected that majority of target beneficiaries in selected districts of Cabo Delgado and Nampula will be IDPs and activities able to reach out approximately 9 000 IDPs beneficiaries (or 2 per cent of IDPs registered in the targeted districts). It is expected that overall 20 per cent of IDPs will be youth and the majority women. Furthermore, it is also estimated that about 2,6 per cent from total households of the project areas will be from PwD (approximately 2 340 in total).

*Table 2. Characteristics of the target groups and proposed activities*

<i>Typology</i>	<i>Characteristics</i>	<i>Priority Needs</i>	<i>Proposed Interventions</i>
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<p>Vulnerable small-scale artisanal fisher households (men and women) in situation of poverty and transitory poverty.</p>	<ul style="list-style-type: none"> <li>· Food insecure households</li> <li>· Poor and transitory poor</li> <li>· Few assets or assetless</li> <li>· Negligible access to micro-finance</li> <li>· Limited extension support</li> <li>· Operating at a subsistence level with low quality inputs and technologies.</li> <li>· Highly vulnerable to endemic climatic and environmental shocks.</li> <li>· Environmental degradation affecting their traditional livelihood system</li> </ul>	<ul style="list-style-type: none"> <li>· Increased biodiversity and ecosystem conservation (marine ecosystem)</li> <li>· Increased resilience to economic and climatic shocks</li> <li>· Technical assistance (production, marketing and processing)</li> <li>· Access to credit (for both men and women)</li> <li>· Access to smart, more resilient and improved technologies (for fish production as well as processing and added value)</li> <li>· Access to better markets for their produce (local markets as well as urban areas)</li> </ul>	<ul style="list-style-type: none"> <li>· Climate smart fishery technologies and improved fishing and processing practices.</li> <li>· Promotion of bio-diversity conservation for the marine ecosystem</li> <li>· Rural finance mechanisms (including e.g. matching grants for women and youth).</li> <li>· Alternative income generation opportunities along value chains and improve livelihood diversification (e.g. mariculture among others)</li> <li>· Strengthening community groups and associations (CCPs, PCR)</li> <li>· Nutrition education</li> </ul>
<p>Resilient and semi-commercial fishers with potential (men and women)</p>	<ul style="list-style-type: none"> <li>· Better off households above the poverty line;</li> <li>· Households with some assets and the potential to increase production and surplus and to graduate to more commercial forms of fishing (for men) and also processing/ added value (for women)</li> </ul>	<ul style="list-style-type: none"> <li>· Enhanced access to improved fishing practices and technologies (e.g. motorised boat)</li> <li>· Access to credit</li> <li>· Access to inputs</li> <li>· Technical assistance (business &amp; production, marketing)</li> <li>· Insurance</li> <li>· Improved access to markets</li> </ul>	<ul style="list-style-type: none"> <li>· Technical support to develop climate smart fishery practises</li> <li>· Value chain development</li> <li>· Access to rural finance</li> <li>· Business and enterprise development, including training in business development</li> <li>· Access to market for their products and better commercial opportunities</li> <li>· Strengthening community groups and associations (CCPs, PCR)</li> </ul>
<p>Very poor women and women head of households (WHHs).</p>	<ul style="list-style-type: none"> <li>· Very poor women with no access to valuable livelihood opportunities, mostly women headed households with higher dependency ratio.</li> <li>· Assetless</li> <li>· Low level of literacy</li> <li>· Occasional manual labour / collectors / agriculture for self - consumption</li> </ul>	<ul style="list-style-type: none"> <li>· Access to viable livelihoods and IGA</li> <li>· Increase income level</li> <li>· Strengthen food security and access to nutritious food.</li> </ul>	<ul style="list-style-type: none"> <li>· Income generating activities (e.g. marine aquaculture, food business)</li> <li>· Saving and credit groups (PCRs)</li> <li>· Nutrition education (focusing on pregnant and lactating women)</li> </ul>

Unemployed Youth (men and women)	<ul style="list-style-type: none"> <li>· Poor unemployed and assetless youth</li> <li>· Lack of skills</li> <li>· Limited access to finance</li> </ul>	<ul style="list-style-type: none"> <li>· Skills creation</li> <li>· Business and micro enterprise development</li> <li>· Alternative and viable income generation activities;</li> <li>· Access to saving and credit as well as micro finance</li> </ul>	<ul style="list-style-type: none"> <li>· Training and capacity building for job creation as well as business and enterprise development;</li> <li>· Access to grants and other forms of micro credit</li> </ul>
Marginalised groups, including IDP and PwD	<ul style="list-style-type: none"> <li>· Food insecure experiencing level of social and economic exclusion</li> <li>· Conflict affected population (north) living in context of displacement experiencing highest rates of poverty and food insecurity</li> <li>· Women from displacement context experiencing high level of GBV and SEA</li> </ul>	<ul style="list-style-type: none"> <li>· Skills creation</li> <li>· Alternative and viable income generation activities;</li> <li>· Access to saving and credit as well as micro finance</li> </ul>	<ul style="list-style-type: none"> <li>· Income generating activities (e.g. marine aquaculture, recycling, ecotourism)</li> <li>· Training and capacity building for skills and job creation</li> <li>· Saving and credit groups (PCRs)</li> <li>· Nutrition education (focusing on pregnant and lactating women)</li> <li>· Gender awareness on GBV and capacity building among stakeholders</li> </ul>

21. **Targeting strategy.** The programme will apply a combination of geographic targeting (as explained above), self-targeting and direct targeting methods for the selection of the most vulnerable. PROPEIXE will promote services in line with the needs of all target groups. Furthermore, specific activities are directed to specific disadvantaged categories (women, youth, IDPs, PwD). The robustness of the target strategy relies on a strong mobilisation and consultation process to be conducted at the beginning of the operations and supported by Social Mobiliser (SM), also responsible for defining community-based vulnerability criteria for targeting of the poorest and most vulnerable, share key relevant project information with the community and ensure that gender and social inclusive principles are well understood by participating communities. Furthermore, a dedicated Social Inclusion (SI) Specialist will be part of the PMU to ensure proper implementation of the targeting approach (See draft ToRs in Annex III).

22. **Self-targeting:** The programme will mainly work with men and women from fisher communities organized in groups (including CCPs, Market Associations and PCRs) and composed of members engaged in fishery activities with diverse socio-economic backgrounds (poor and near poor or better off) gender and age groups. The project will ensure the participation of the more marginal rural households (and also IDPs for specific activities), whilst being inclusive of so-called "better-off" in order to leverage on their stronger capacity and have a pull effect on the entire group. Composition of groups will be driven by self-targeting principles ensuring proper mobilisation of women and youth and their representation in decision-making roles (30 per cent women and 20 per cent youth in decision making of committees in CCPs, and fishery management and other associations). SMs will be in charge of conducting mobilisation and consultation with women, youth and other vulnerable groups otherwise at risk of exclusion and self-exclusion (e.g. PwD).

23. **Direct Targeting:** Direct targeted activities and promotion of participation will be designed for specific groups, especially the poor and most vulnerable ones and also women and youth. While women and youth are expected to participate overall on a 50 per cent and 40 per cent basis and benefit from project services on equal basis, specific activities will be targeted to them as the primary target group. Activities will include the provision of (i) livelihood training and packages/ dedicated grants (ii) technical support to set up small IGA (iii) skills and enterprise development for youth (including quotas for IDPs and also ensuring participation of PwD; (iv) finance literacy and access to PCRs for the poorest; and (iv) Nutrition education.
24. **IDPs Targeting:** Selection of households from IDPs within targeted areas in the North (Cabo Delgado and Nampula) will consider e.g. social protection registries, as well as community-based targeting process to select beneficiaries. This will be adapted to prioritize those households most at risk of climate change, as well as households that are likely to be poorer and more food insecure (e.g. large households, women-headed, those with children). Collaboration and coordination with other humanitarian and development agencies will be in place, in line with UN Coordinating response in the North of Mozambique in order to enhance a harmonized targeting approach. Selection criteria will be clearly defined in close collaboration with stakeholders and potential beneficiaries. When working with IDPs in host communities, the project will ensure equal inclusion of both displaced and hosting communities, and proper mechanisms to minimize conflict.
25. Household targeting will consider criteria of poverty and food insecurity. It will be conducted with the involved communities (Community-based targeting) and according to wealth ranking criteria set with them to identify the most vulnerable and poor.
26. **Household targeting for Nutrition Interventions:** Dedicated nutrition interventions will be considered for the most vulnerable, food insecure households focusing on women beneficiaries to be selected among: (i) households that are food insecure and nutritionally vulnerable and have at least one child under the age of five years; (ii) Households with a malnourished mother; (iii) women-headed households and iv) vulnerable households with pregnant and lactating women.
27. **Implementation Modalities:** SMs will be responsible to conduct a participatory wealth ranking exercise at community level to identify the poorest (which requires validation from the community to avoid elite capture and keep tracking of process transparency) and key criteria related to poverty and vulnerability set for their participation in pro-poor activities and prioritisation for e.g. accessing grant financing for livelihood development as well as nutrition education and related activities.
28. **While social mobilisers will be in charge to:** (i) undertake the wealth ranking exercise; (ii) raise awareness; (iii) mobilization and proper explanation of the project activities including the targeting and gender/social inclusion principles, the overall responsibility will stay with the gender and social inclusion (SI) expert of PMU (see ToRs in Annex III). The SI expert will also be responsible to form and train social mobilisers (on a Training of Trainers – ToT basis) on how best to conduct the above-mentioned exercises.

### **1.3 Gender youth and social inclusion strategy**

29. While promoting positive shifts towards a more food systems approach, PROPEIXE presents a major opportunity to mainstream gender, empower women and young women and eliminate, where possible, gender stereotypes and patriarchal attitudes in the artisanal fishery sector. The gender strategy of the project recognizes that women from fisher

communities play a key role in the transformation of the sector. This reflects the understanding that women's equal participation and as active actors and agents of change in the project needs to be facilitated through: (i) a set of specific enabling measures; (ii) by introducing gender transformative approaches and (iii) strengthening policies and institutional environment to be gender and nutrition responsive.

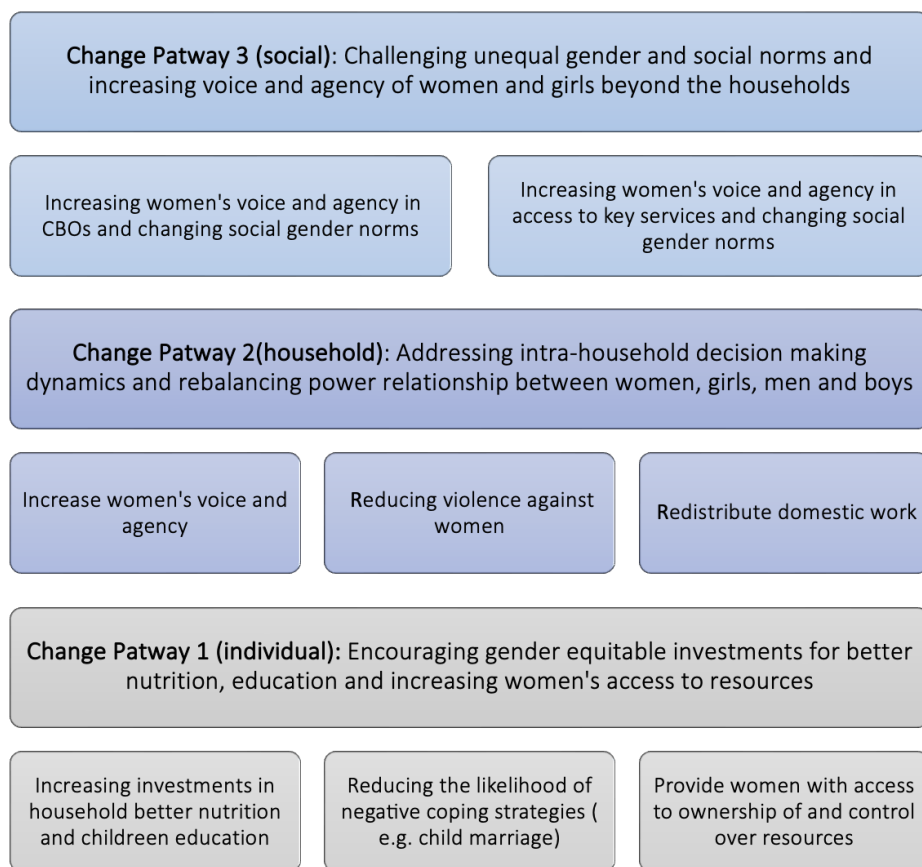
30. The gender and social inclusion strategy consider lessons from existing and previous IFAD experiences in the country and will support women and youth from fisher communities in accessing key resilient technologies (e.g. energy efficient stoves as well as tools and technologies for improved fishing practises), training and equipment, financial services to increase fish production and productivity and enhance resilience. Use of gender action learning system (GALS) approach, and nutrition interventions using a Nutrition Sensitive Value Chain will also be promoted.
31. The strategy will ensure that the poorest, most marginalized and nutritional vulnerable people are included and supported with various interventions. Special emphasis will be provided to targeting nutritionally vulnerable people, with an emphasis on women of reproductive age, young children and adolescent girls. Attention will be given to implementing nutrition education and SBCC related activities and supporting nutrition-sensitive investments at community and household levels. The emphasis is on having a balanced diet for each family member by locally producing and ensuring income is also used to buy nutritious and safe foods for diversifying diets.
32. Considering the challenges of remunerative job opportunities for young men and women from fishers' communities, the project intends to create both short term and long-term opportunities for youth including developing a cadre of entrepreneurs, service providers responsible for input production and also service delivery along the fishery VC. The project will also open avenues for local communities to diversify their income through IGA and will have a specific focus to target youth from IDPs in fragile areas. It is expected that the conducive enabling environment will ensure a steady stream of innovative and entrepreneurial youth interested in engaging in fishing activities and ancillary sectors and services.
33. In specific, the gender strategy will contribute to achieve three main objectives: (i) Expand women's economic empowerment through access to and control over productive and household assets; (ii) Strengthen women's decision-making role in the household and community and their representation in membership and leadership of local institutions; and (iii) achieve a reduced workload and an equitable workload balance between women and men, girls and boys <sup>[11]</sup>.
34. The project will: (i) conduct training and awareness in gender transformative participatory approach; (ii) ensure women have representatives positions in decision making in committees/boards in CBOs (iii) ensure equitable participation (minimum 50 per cent) of women in accessing project services and training for improved fisheries practices and demonstration of women friendly and energy saving technologies (Component 1), as well as economic diversification, business advisory and development services (BDS) and through nutrition-sensitive direct interventions combined with nutrition education (Component 2).
35. Women will be mobilized to become members of Credit and Saving Groups (PCRs) and received training on finance literacy, alternative income generation and nutrition education among others. As such, the project will encourage interventions that promote nutritionally diverse and rich foods with focus on the most vulnerable (sub-component 2.1). Empowerment for women traders and processors will be considered through the PPP market management arrangements that are based on a consultation process with all market users (many of which are women). They will ensure women traders are heard in the process of

negotiation of the management models/arrangements and also benefit from improved working conditions and market services (either as providers or clients of such services) (sub-component 2.2). Under Component 3 the project will support development of gender policy in the artisanal fishery sector and support its dissemination at all levels to strengthen capacity of involved stakeholders (sub-component 3.1). A dedicated social inclusion (SI) person, responsible for gender, youth and nutrition will be assigned to PMU to ensure SI activities are properly developed and monitored across project components (sub-component 3.2).

### Theory of Change and pathways for gender transformation

36. In the fishery sector, constraints such as lack of capital and access to institutional credit, competing use of time, poor technical skills affect women more than men. Low presence of women in formal institutions and organizations limit their ability to have voice and access to better market and business opportunities.
37. The project gender strategy aims at equal involvement and benefits of women and men in the development of fishery value chains. Women and men of different ages and socioeconomic categories, including youth, will be given equal chances to participate in Project's activities and obtain equal returns.
38. The intersectionality of poverty and gender inequality will be addressed by enhancing productive capacities of women as well as greater leadership and decision-making roles in community based organizations (e.g. PCRs, Associations, Management Committees and CCPs). Another mechanism of engagement and empowering them will be through provision of business literacy skills, enterprise creation and access to finance. The Project will bring an innovative feature by integrating the GALS to address the power relationships at the root of inequality to meet projects objectives on gender equity and women's empowerment (GEWE). This will lead to: (i) an equitable share of participation and benefits for women and men; (ii) improved decision-making capacities at household and community levels; and (iii) an equitable share of workloads in fishing (or related activity) and domestic work. The GALS will also be used as an entry point to discuss key topics such as nutrition and food consumption in order to address key constraints at individual and household level.
39. More specifically, the gender-transformative change pathways and mechanisms are designed across three levels of a socioecological framework, and systemic change levers: individual; household and social level as explained below:

*Figure 1. Gender-Transformative Change Pathways*



40. At the individual level, gender-responsive actions will contribute to gender-transformative change through three mechanisms: (i) by increasing gender-equitable household investments in improving households nutrition and support children education (ii) by helping households manage risks and shocks, and hence reducing the risk that households adopt negative coping strategies (e.g. child marriage) and (iii) by increasing women's access to, ownership of and control over resources to increase women's material condition and strengthens their position within the family.
41. At the household level, gender-responsive actions will contribute to gender-transformative change by addressing intra-household decision-making dynamics and rebalancing power relationships, through three change mechanisms: (i) by providing women with access to, control over and ownership of resources and support women in developing, expressing and exercising their voice and agency within the household; (ii) by increasing income security within the household, and ensuring women can retain control and decisions over income generated; (iii) by increasing women access to technologies (time and energy saving among others) and also by changing dynamics in the division of labour at household level.
42. At the societal level (i) by supporting women's active participation in relevant CBOs and (ii) in accessing economic and entrepreneurial opportunities. This is expected to contribute increasing their voice, autonomy, confidence and self-efficacy. This, in turn, leads to increased mobility, voice and agency in their interactions outside the family, such as in their communities, as well as to shifts in the gender social norms.

43. To contribute to pathway 1, the project will also work to enhance household food availability and nutrition through nutrition education sessions which are designed to enhance awareness about nutrition, change attitudes, behaviours and practises that would improve nutrition outcomes of target groups with attention to the most vulnerable. The project intervention in this area is based on the evidence provided by previous IFAD intervention in the fishery sector (PROPECSA) that awareness through nutrition sessions can change behaviour patterns and improve feeding practices. This will be achieved investing in capacity building at all levels, especially introducing innovative methodology such as GALS at household level to support women to share control of income generated and decision-making that can positively translated into improved nutrition and enhance households' food security. Within each household, headed by men or women, all members will be engaged in negotiating their needs and interests (men, women, boys, girls, elders). The goal is to find innovative, collaborative, gender-equitable solutions in livelihoods planning at household level. Specifically, the project will:
44. **Expand women's economic empowerment** through access to and control over productive and household assets. Women heading households and women in male-headed households will be empowered. Their financial and business skills will be strengthened to build small businesses (along fishery VC as well as to develop alternative livelihoods) and effectively engage in IGAs. Access to PCRs and other finance mechanism (e.g. matching grants and other source of credit) will contribute to women's economic empowerment. At least 50 per cent women and 40 per cent youth will receive direct support and services to improve their production capacity, finance literacy and business skills as well as accessing key inputs and finance.
45. **Strengthen women's decision-making role** in the household and community and their representation in membership and leadership of local institutions. Women will be 50 per cent project participants and at least 30 per cent representatives in key decision-making roles at CBOs level. The use of capacity building, including i.e. HHs methodologies, will ensure that women are fully part of decision-making in the household and regarding VCs economic related activities. Particularly, the project will strive to support women's capacity to remain engaged in the different nodes of the value chain (and other remunerative opportunities) and keep on benefiting from it as it becomes more commercial. Empowerment for women traders and processors will be considered through the PPP market management arrangements that are based on a consultation process with all market users (many of which are women). This mechanism will ensure women traders are heard in the process of negotiation of the management models/arrangements and also benefit from improved working conditions and market services. Trough formation of GALS champions and promotion of the methodology at community/HHs level, the project will support women to share control of income generated and decision making with strong focus on households' food consumption expenditure and investing in children's education.
46. **Achieve a reduced workload and an equitable workload** balance between women and men, girls and boys. Time and labour-saving technologies as well as other type of technologies (i.e energy saving stoves) will be promoted by the project. The project will address the issue of mangrove destruction for fuel for both domestic used and fish processing by introducing energy efficient cooking and processing stoves to reduce the carbon footprint associated with the technology, as well as will result in time and energy saving for women, allowing time for them to engage in income generating and nutrition-sensitive activities such as production, processing and consumption of diversified foods. Another main contributor for an equitable workload balance will be the application of GALS methodology at household level.



47. **Enhance gender responsiveness and capacity of sectorial institution:** To support enabling environment of the sector, the project will contribute to the development/strengthening of the gender policy in the artisanal fishery sector. The objective is that the gender policy responds to the emerging needs and issues of women and key actors are able to strengthen their capacity in this respect. It is also important that gender actions are embedded in the operational modalities of key implementing partners (e.g. IDEPA) beyond project intervention (the gender policy will be accompanied by an action plan). The gender policy and action plan will consider updated and innovative policy elements. Furthermore, considering the strong nexus between gender and nutrition, the process will be accompanied by nutrition mainstreaming: the policy document will have dedicated sections, as well as multi stakeholder and multisectoral workshops for its dissemination, including events to promote inclusive policy dialogue on gender and nutrition in the artisanal fishery sector, which will also help to strengthen demand for fresh and quality fish and fish products.
48. **Youth Strategy:** the strategy is geared towards the achievement of three main outcomes: (i) Young people increase leadership and representation in decision making in CBOs; (ii) increase their participation in the labour market through access to information, technologies, and skills for improved employability and (iii) sustainable enterprises and proper business development services create opportunity for youth enterprise and self-employment.
49. Under Component 1, youth will be mobilised to become active members of CCPs (and also have leadership roles on a 20 per cent basis) and associations and to participate in training on new fishery technologies and practises. Under Component 2, youth will be targeted for activities related to skills development, enterprise and business development, income generation and access to financial services (including grants for emerging enterprises giving priority to youth and women). These activities are expected to favour youth employment and self-employment. Activities will also take into account disability inclusion and consider skills training for young persons with disability and their participation.
50. Dedicated targeted activities will be implemented with focus on fragile areas to support youth and also IDPs (min. 50 per cent) from the North Provinces of Cabo Delgado and Nampula. Activities include youth's (i) mobilisation and integration into existing youth clubs or peace committees as well as (ii) support youth income increase, skills and enterprise development. It is expected that this activity will result in 2 500 Youth trained and 800 jobs created. 1 500 attend skills and professional training through TVET (e.g., 3-6-9 months) and 1 000 already trained received business development training, coaching and access start-up funds. (Greater details on the implementation modalities are explained in Component 2 section).

#### **1.4 Food and nutrition strategy**

51. **Food security and Nutrition.** Although slight declines have been recorded, 40.4 per cent of the population were classified as food insecure, and 33 per cent undernourished in 2020 with particularly elevated levels in the north. The contribution of fisheries to the GDP is estimated to be around only 2 per cent, however the true economic value of the artisanal sector, in terms of its contribution to food security and nutrition is far greater, and it is responsible for 50 per cent of the country's daily protein.

52. The latest Integrated Food Security Phase Classification (IPC) released in November 2022<sup>[17]</sup> estimated that 2.8 million people in Mozambique are classified in IPC Phase 3 (Crisis) and 400 000 people in IPC Phase 4 (Emergency); the conflict is the main cause of food insecurity and poor nutritional status in the country. It is also estimated that 8.2 million people reported insufficient food consumption and majority of Mozambican (80 per cent) unable to afford a healthy diet (WFP, 2021).
53. Many households have difficulties in accessing basic needs, especially access to food due to limited income. According to Mozambique latest food security outlook report (August 2022),<sup>[19]</sup> many poor rural households apply coping strategies in terms of the diversity of their diet and frequency of meals, which is a critical measure of nutritional security.
54. **Nutrition Strategy:** the objective of nutrition activities under component 2 is improved quality of diets of at least 12 000 vulnerable households. The expected output is also the provision of targeted support to 12 000 households to improve their nutrition through nutrition kitchen garden and provision of other inputs (in addition to nutrition education). Dedicated service provider will conduct the nutrition related activity. To ensure interventions will lead to expected transformation, the formation of GALS champions is required. Number of workshops will be developed and training will be guided by specialised GALS consultants and experts available in the country.
55. The nutrition education and social behaviour change and communication (SBCC) sessions will be designed to enhance awareness about good nutrition and importance of dietary diversity, change attitudes, behaviours and practises that would improve nutrition outcomes of target groups. It will use several different SBCC tools, such as practical learning sessions and are specifically targeted at women of reproductive age (15-49 years) and other vulnerable groups, with priority given to pregnant and lactating women and adolescent girls, and mothers with children under 5.
56. The project will develop SBCC materials using images, drawings, posters and other visuals to ensure that messages are culturally and linguistically appropriate. The project will track the percentage of the targeted people who have improved knowledge, attitudes and practices of food, feeding, caring and hygiene. It is expected that at least 60 per cent of the households targeted will have improved their knowledge, attitudes and practises (KAP) regarding food, feeding and hygiene. The nutrition activities will be implemented with 200 groups (PCRs) each year, which will include 20 households per group (outreach per year 4 000 HHs).
57. The project will also maximize and use existing community platforms to sensitize entire communities on good nutrition, it will organize village nutrition days (whole fisheries community gathers to learn and apply nutrition knowledge in an interactive way), some cooking demonstrations and disseminating key messages via village loudspeakers is also envisaged. These village nutrition days will be decided by the communities themselves and whether there is an increasing interest in organizing such gathering. The project will also explore digital means to disseminate information which may involve social media platforms or targeted messaging.
58. The main target of this intervention will be households with nutritionally vulnerable people. The criteria for selection of households will include the following; (i) households that are food insecure and nutritionally vulnerable and have at least one child under the age of five years; (ii) Household with children under five years who are in nutrition therapeutic programs; (iii) Households with a malnourished mother, women of reproductive age and adolescent girls; (iv) Women-headed households and (v) vulnerable households with pregnant and lactating women, including elderly, chronically sick (HIV/AIDS) and people with disabilities. The selection of the households will be

undertaken jointly with the community elders and key resource persons such as community mobilisers and community health workers with close support from the project Social Inclusion Specialist.

59. The nutrition training will focus on the day-to-day household activities that are a natural entry points for improving nutrition metrics of the household. Emphasis will be placed on the practical aspects of food preparation, food hygiene, infant feeding, water safety, food storage and preservation among other sessions. Furthermore, there will also be focus on sustainable household food security and how families can increase food availability, accessibility and sustenance even during dry seasons.
60. Nutrition sessions will also cover post-harvest management, safe food storage and preservation, with attention to food safety, hygiene and nutritional quality. It will also focus on fish and different fish products, including creation of pre-mix of fish with other foods (e.g. dried fish and cereals pre-mix, dry fish and mix of vegetables, fermented fish mix with herbs for porridge and etc.) for households' consumption. These sessions will also be available to other women in the village who are interested in such activities as a livelihood option. The content of the trainings will be demand driven by community members, and partners will consult with communities to understand what the needs are related to food processing and preservation. It will also focus on hands-on and practical learning about nutrition kitchen garden establishment.
61. The project will also provide support for improved family nutrition through nutrition-sensitive investment packages linked to kitchen gardens that will contain providing inputs for establishment of kitchen gardens and support for food processing and preservation through simple small-scale equipment. The package will target 1 500 among the most vulnerable households.
62. GALS approach will address social and cultural bottlenecks to adequate nutrition and gender practices (dietary diversity, optimal child feeding and care practices, WASH, early marriage), and complement the village wide SBCC and nutrition education activities.
63. **Implementation Modalities:** Nutrition activities will be supported by dedicated part time Nutrition consultant, who is expected to review, amend and develop nutrition education and SBCC relevant materials and tools. The project will receive support from selected service provider who has knowledge on community and households food security, and has expertise in implementing nutrition-sensitive interventions. The service provider will also have network from central to local levels and have access to rural communities where the project is expected to be executed. The service provider will support in selection of households, provision of final list, sensitization on the project interventions, implement nutrition education and SBCC, including support in establishment of kitchen gardens, including training and capacity development on small-scale homestead food processing and preservation.

## **1.5 Social inclusion strategy and vulnerable groups**

64. In line with poverty focus, vulnerability and social inclusion, attention will be given to households with the highest level of poverty and food insecurity, IDPs, women headed households and families with members with disabilities and PwD.
65. **Inclusion of Persons with Disability (PwD):** The disability inclusion strategy will consider lessons from the "Sparkling Disability Inclusive Rural Transformation" SPARK project implemented in Mozambique and will: (i) train Disability Inclusion Facilitators

(DIF); (ii) mobilise PwD to become fully engaged in the economic activities of selected value chains; (iii) awareness raising among community and stakeholders. Specific consultation with PwD will ensure their views and aspirations are captured, especially for the design of IGA trainings.

66. The objective of the activity is building a sustainable network of DIFs, who will support awareness raising of disability within projects' implementing partners, stakeholders, and support persons with disabilities in accessing support networks and services. The DIF approach seeks to position young persons with disabilities as agents of change, building awareness, and supporting the implementation of disability inclusion in mainstream programmes, services and workplaces.
67. It is planned that during the consultation and stakeholder engagement phase, specific consultation with PwDs will take place to ensure their views and aspirations are captured, especially for the design of IGA trainings and also skills development. This consultation will also consider development of technologies that can support PwD engaged in on-farm and off-farm activities in the specific context of Project intervention.
68. Among PwD, severely disabled individuals are less likely to spend time in agricultural activities and more likely to spend time in casual, part-time, temporary jobs. As part of the proposed study on viable IGA and skills development for youth, specific focus will be given to identification of activities suitable for PwDs. In this respect, consultation and FGCs will be conducted in a comprehensive and inclusive way, ensuring that persons affected by different types of disabilities and facing different challenges will be consulted. This will ensure that training, information, technologies development will address, to the extent possible, multiple types of needs from PwDs and provide opportunities for all. Implementing partners and service providers under each Component are responsible to develop services suitable for PwD.

#### Community Consultation and inclusion of the most vulnerable:

69. The Social Inclusion specialist and the social mobilisers (SMs) will ensure that all relevant project information is made available to all interested parties, including primary beneficiaries. The dissemination of information will be based on techniques and methods that are culturally appropriate for each group, including IDPs, women, youth, and host communities, in the different phases of project implementation. The disclosure will be made through meetings in the form of discussions involving focus groups and all comments, doubts and suggestions will be recorded.
70. To ensure greater participation and inclusion of all stakeholders in the meetings in particular the IDPs, women, youth, displaced families and hostesses, local authorities will be previously involved in mobilizing the community. Specifically, the dissemination of information throughout the implementation of the project aims to safeguard the following objectives: (i) to improve the understanding of the needs of the affected populations; (ii) disseminate information on how to access the benefits and mechanisms for implementing the project; (iii) receive feedback and comments, as well as complaints from all interested parties and (v) ensure transparency and accountable communication mechanisms in all aspects at all stages of the project's implementation. The consultation process will require the use and combination of different methods, considering the characteristics of the target audience and the risk of exclusion of vulnerable groups.
71. Vulnerable groups include, but are not limited to the following: internally displaced persons, host communities, the elderly, women and children, the disabled, unemployed people, families headed by women and children and people with chronic illnesses (e.g.

HIV / AIDS etc.), people who do not know how to write or read and / or speak only local languages, stigmatized groups etc. In social and economic terms in the northern region, the vulnerability of women and girls to GBV increases significantly, including the risk of increasing the number of forced relationships, families headed by women, mainly due to conflicts.

72. The Project implementation units with support from social mobilisers at the local level will ensure that vulnerable groups participate in consultative processes and that their voices are not ignored or excluded during project implementation. They will also guarantee to overcome the physical limitations for the elderly and the disabled, guaranteeing transportation and home visits. For this purpose, specific meetings will be held with vulnerable groups including IDPs, PwD and women in addition to general community consultation meetings. Meeting venues will be selected to ensure universal access for people with disabilities.
73. IDPs and host families will be involved through local and home meetings. The Project team will take care to ensure that children, the elderly, the disabled and the sick are well represented by their parents / family. Individualized meetings will also be organized, whenever possible, with vulnerable people to ensure that the benefits of the project reach these groups.
74. To ensure that women can speak at meetings, separate meetings will be held for men, women and young people, giving special attention to areas where women find it more difficult to express themselves due to socio-cultural aspects. The involvement of community authorities (leaders) will be essential to ensure the transmission of information to vulnerable groups who are unable to travel and physically participate in meetings, in addition to the use of community radios. Community leaders will be the key vehicle for sensitizing other community members to ensure greater participation by women, including heads of households.
75. Below are proposed technique for consultation and key indications to be considered during implementation:

*Table 3. Proposed consultation technics*

<i>Vulnerable group</i>	<i>Technique for consultation</i>
IDPs and host communities	The meetings will be held in host communities with the presence of translators with knowledge of local languages. Strong facilitation must be in place.
Women	Community meetings will be held with specific groups of women (focus groups). Communities leaders are key to encouraging these groups. One-on-one meetings will be organized, according with the situation.
Female and child headed households	Specific locations and times will be identified depending on the availability of this group since they have various occupations/activities during the day that make it difficult to participate in meetings.
Elderly people, disabled and people with chronic disease (e.g. HIV/SIDA, leprosy, etc)	To deal with people's physical limitations, the project shall provide transportation to consultation facilities and /or organize home visits. In addition, meeting locations will be selected to ensure universal access for people with disabilities. The Project team (or service providers) will ensure that PwD are well represented.
Youth	Focus Group Discussion and community meetings.

76. Proposed way of engagement and dissemination techniques

Table 4. Proposed way of engagement and dissemination techniques

Engagement technique	Type of information shared
Public meetings	<ul style="list-style-type: none"> <li>• Present project information to a larger number and group of stakeholders, especially communities in general, including hostesses, and IDPs</li> <li>• Present the principles for gender equality, social inclusion and pro-poor focus. It also explains how the project will target IDPs and get views and opinion from both the host community and the IDPs.</li> <li>• Present the project information including discussion on the targeting and eligibility criteria (wealth ranking)</li> <li>• Share information especially on GBV related measures and GRM. Provide information on how to access the benefits of the project, how to make suggestions and submit questions and complaints about the implementation of the project and any feedback.</li> </ul>
Focus group meetings	<ul style="list-style-type: none"> <li>• Focus Group meetings including addressing issues like GBV, which in larger meetings or with different groups would not be possible. Also, facilitate the active participation of participants suffering from self-exclusion such as PwD. it helps women and youth not confident to speak in public meetings to have a space and provide information on the best way orient project's activities responding to their needs.</li> <li>• Allow interested parties to provide their views on specific reference information; Provide information on how to access the benefits of the project, how to make suggestions and make complaints about project implementation.</li> </ul>
Individual meetings	<ul style="list-style-type: none"> <li>• Provide information on how to access the benefits of the project, explain the targeting criteria and how to make suggestions and make complaints about the implementation of the project and issues of exclusion.</li> <li>• Give stakeholders a voice to speak freely on sensitive issues, including gender-based violence and other forms of violence and exclusion.</li> </ul>

## PART 2 DETAILED DESCRIPTION OF COMPONENTS AND MODALITIES OF IMPLEMENTATION

### 2.1 COMPONENT 1: RESILIENT ARTISANAL FISHERIES AND ECOSYSTEM MANAGEMENT

77. **Expected Outcome:** Expected outcome of this component is an increased resilience of artisanal fisheries. This outcome will be reflected in the number of households reporting adoption of environmentally sustainable and climate-resilient technologies and practices as well as an increase in production. The strategy to achieve the outcome will involve capacity building of CCPs, SDAE, IDEPA and ADNAP Provincial delegations to strengthen the governance structures required for effective fisheries co-management. Component 1 will also support the conservation measures and replanting of mangroves, protection of coral reefs and seagrass beds through mobilizing and training of coastal communities in Natural Resource Management (NRM). Fisheries Management Plans will be developed in accordance with the existing classification of fishery types and zonation.

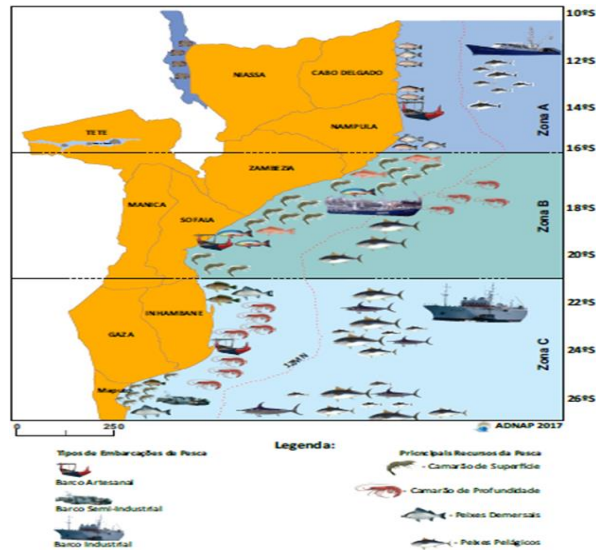
### **Outputs to be delivered:**

78. **Output 1.1.** Effective fisheries management promotion will be achieved through strengthening the Participatory Fisheries Management System. The project will therefore support: (i) the revitalization of community fishing councils; (ii) implementation of co-management agreements; (iii) capacity building of CCPs on governance and NRM; (iv) establishment of community-managed fishing areas (adoption of local management plans and resource recovery areas); and (v) promotion of awareness campaigns on responsible fishing.
79. **Output 1.2** Rehabilitated coastal habitat will be realized through community initiatives and with support from IDEPA and InOM by mapping out degraded habitats for rehabilitation. The expected output will include estimates of acreage of degraded areas and rehabilitated/protected zones for mangroves, coral reefs and seagrass beds. The status of sensitive estuarine habitats will be established, and action plans developed through a stakeholders driven process.
80. **Overall Target group and outreach.** Overall, PROPEIXE will reach 24 000 households reporting adoption of environmentally sustainable and climate resilient fishing technologies and practices. Consequently, the total number of individuals expected to be reporting an increase in fish production is 120 400 from 28 000 households that include self-targeting. The project will facilitate the training of a total of 30 000 individuals on production practices and technologies of which 21 000 are expected to be males and 9 000 females. The young persons trained on fish production practices and technologies is expected to constitute 12 000 (60 per cent) of the total target beneficiaries.
81. Additionally, 2 400 persons belonging to 240 groups will have been supported to sustainably manage natural resources and climate-related risks. Out of the total trained, 1 680 are expected to be men and 720 to be women. The youth will constitute 960 individuals out of the total number of beneficiaries. The number of CCPs led by women is expected to stand at 20 per cent by the end of the project.

### **Coordination of activities:**

82. **Activity Set 1: action research focused on fishing trials to demonstrate improved/selective fishing methods and techniques and training of artisanal fishers** on responsible fisheries and offshore fishing; assessment of the technical, economic, and social viability of the proposed new practices and fishing gear; and dissemination of results at village level, as well as provision of extension services for uptake of those operations that prove to be successful.
83. **Description:** Under C1 and Output 1.1, the project will support the development and trial of alternative and better fishing gears for use by artisanal fishermen. This will include experimentation on the gear selectivity and catchability conducted by InOM. The gear testing and trials will be done in collaboration with the IDEPA and SDAE. The activity will explore the potential for offshore fishing by artisanal fishery in the 1-3 NM fishing zone (See Figure 2 below on fishing zonation).

*Figure 2. Fishing Zonation*



84. **Targeting:** The action research on improved, better and selective fishing methods will target 120 400 beneficiaries from 28 000 households. This number will include both direct and self-targeting based on experiential learning.
85. **Implementation modalities and TA** (refer to TA ToRs in Annex III): The overall coordination and implementation of fishing gear trials will fall under InOM with support from IDEPA and its Provincial Delegations: (i) InOM will design and introduce compliant fishing gears for trials within the inshore areas (<1 NM) and 1-3 NM for artisanal fishers; (ii) IDEPA and SDAE will provide the extension support required to implement these tests and trials. The activities under will be overseen by the Fisheries Specialist within the PMU.
86. **Roll-out:** To roll-out the above-mentioned activities, IDEPA will facilitate InOM, the technical staff and SDAE and extension officers by providing the resources for design, trials, documentation and participation by the beneficiaries for adoption of these improved fishing methods and practices. InOM will provide documentation on the feasibility and viability of these methods for potential upscaling in SC 2.1.
87. **Expected outputs:** The activity is expected to produce an extension package for better, improved and more selective fishing gears, methods and practices for potential adoption and uptake by SC 2.1 for commercialization.
88. **Activity Set 2: support InOM to survey and map potential areas for promotion of mariculture activities and IDEPA will implement the pilot trials** with selected farmers in the project areas. A clear criterion for suitability, selection and exclusion will be developed for all mariculture activities. IDEPA will be responsible for procuring all the materials, trials and training of extension staff on farming techniques. The fish farmers will be equally trained by the IDEPA technical team and extension staff on the culture systems.
89. Implementation of these activities will be led by ADNAP, IDEPA and involve InOM and the Fisheries School. The project will support capacity building of the fishermen, extension workers and relevant project staff on improved/new fishing techniques, and monitoring of artisanal catches will be promoted through capacity building and demonstrations based on evidence collected by the CCPs and artisanal fishermen in collaboration with ADNAP. 30 000 fishers will receive training. The project will ensure



that gender issues are mainstreamed, and women empowered to participate in fishery trials and experimentation.

90. **Description:** The activity will involve trials on potential mariculture species, including sea cucumber, oysters, crabs, prawns and other currently ongoing mariculture activities in the project districts. The project will support the establishment of these trials in selected sites. The project extension staff will work with the beneficiaries to develop and apply the criteria for site selection and requirements for establishing these mariculture trials. These mariculture activities will complement the income generation and alternative livelihoods to direct capture fisheries. Successful trials will be candidates for upscaling under C2.1 on entrepreneurship and livelihoods development.
91. **Targeting:** The target beneficiaries will be part of the number of persons targeted for increased fish production (30 000) of which part will be engaged in mariculture trials and majority on artisanal fisheries. The scope of this activity will be focused on coastal aquaculture.
92. **Implementation modalities and TA** (refer to TA ToRs in Annex III): The overall coordination and implementation of mariculture trials will fall under InOM with support from IDEPA and its Provincial Delegations: (i) InOM will identify and set criteria for selection of potential mariculture sites based on the local context; (ii) IDEPA and SDAE will provide field support for engaging the beneficiaries; (iii) IDEPA will support the provision of inputs; and (v) Fisheries Specialist within the PMU will supervise and oversee the implementation of this activity.
93. **Roll-out:** To roll-out the above-mentioned activities, IDEPA will facilitate InOM, the technical staff and SDAE and extension officers by providing the resources for design, trials, documentation and participation by the beneficiaries for adoption of these mariculture trials. InOM will provide documentation on: (i) criteria for site selection; (ii) feasibility and viability; (iii) potential upscaling in SC 2.1.
94. **Expected outputs:** At the end of the trials, the outputs will be expected to inform further mariculture value chain development by providing a clear guideline on: (i) criteria for site and species selection for mariculture; (ii) mariculture business models and financial models; (iii) suitable producer organizational models; (iv) technical specifications; and v) potential market linkages.
95. **Activity Set 3: work with InOM in mapping out sensitive and degraded habitats with the mangroves, coral reefs and seagrass beds for rehabilitation.** This will entail activities such as: the participatory identification of high priority areas for restoration and protection, using ecosystem-based approaches, secondary data and empirical evidence from the coastal communities; training of CCPs on fisheries co-management and building their capacity for leadership and governance; development of fisheries management plans that define the roles and responsibilities of various stakeholders; support community effort towards the development of mangrove tree nurseries and production of mangrove seedlings for both planting and replanting; improve disaster risk management and climate adapted technologies; pilot new technologies such as energy efficient stoves as well as pilot risk mitigation measures such as weather asset insurance schemes.
96. **Description:** The Participatory Rapid Appraisal; Identification of high priority locations for restoration and protection of ecosystem; Establish nursery for mangrove seedlings and plant Mangroves trees in degrade habitats; Developing Capacities and sensitization and training Community Fisheries Committees (CCPs). The activity will be supported by

installation of a weather station to support information dissemination on climate change and strategies for resilience. The high potential areas for rehabilitation of mangroves will be Zambezi delta, *Primeiras* and *Segundas* that may require up to 800 Ha to be rehabilitated. Other minor areas will be identified through participatory mapping. The project will support the establishment of mangrove nurseries at strategic locations in the project area, targeting up to 8 000 000 seedlings to be planted at approximately 8 000 – 10 000 seedlings per Ha.

97. **Targeting:** It is expected that at least 240 CCPs will be strengthened as a result of project activities and benefiting 2 400 CCPs members.
98. **Implementation modalities and TA** (refer to TA ToRs in Annex III): IDEPA will work closely with InOM, ING and INAM on the issues of environment and climate change. The Climate Change and Adaptation Specialist within the PMU will be responsible for supervising, implementing and overseeing the activity.
99. **Roll-out:** This is a long-term activity and will be implemented within the first 18 months of the project implementation in order to realize the expected results. The degraded coastal habitats will be identified from both secondary and primary sources. The beneficiary communities will be engaged within the first six months in identifying the potential habitats for restoration in mangrove, coral reefs and seagrass beds.
100. **Expected outputs:** Geospatial maps of degraded marine habitats and areas identified and earmarked for rehabilitation. By the end of the project, a clear indication of the acreage of rehabilitated marine habitats will be available to inform future interventions and support sustainability of NRM.
101. **Activity Set 4: support INAM in equipping a meteorological station to provide updated information to fishers and thereby strengthen the availability of suitable tools for climate resilience.** This will support the establishment or enhancement of climate information systems and early warning systems at the community and regional levels. These systems provide timely and accurate climate information to fishing communities, enabling them to make informed decisions and take appropriate adaptive measures. This includes access to weather forecasts, oceanographic data, and relevant climate-related information. It will also provide targeted capacity building and training programs for fishing communities and value chain actors on climate adaptation strategies. This can include training on climate-resilient fishing practices, climate risk assessment and management, and the use of climate information and early warning systems. Building the capacity of stakeholders enhances their ability to respond to climate challenges and integrate adaptation measures into their activities. PRODAPE and PROCAVA are also working with INAM with meteorological stations and climate information systems for farmers.
102. **Description:** Support climate Resilience and climate friendly interventions through the construction, rehabilitation and equipment for Meteorological Stations; Support the use of energy efficient stoves; and natural resource management.
103. **Targeting:** The activity targets all the beneficiaries targeted in the project who will be receiving services promoted by the project of males will be 45 000 and females also 45 000. The young people are expected to form 36 000 of the total beneficiaries while internally displaced persons are expected to be 9 000 and PwDs 2 300.
104. **Implementation modalities and TA** (refer to TA ToRs in Annex): IDEPA and INAM will be collaborating in this activity and will be supported by the Climate Change

Adaptation Specialist at the PMU/ The Climate Change and Adaptation Specialist will be responsible for ensuring the implementation of this activity.

105. **Roll-out:** INAM will work closely with IDEPA and ADNAP to ensure that the weather information is disseminated to the fishermen and coastal communities through the most suitable media, including radio, television, mobile phones and application and print media where necessary. There will be a need to implement a user-friendly weather dissemination platform for coastal communities in real time.
106. **Expected outputs:** Regular updates on the weather conditions to support fishermen's resilience to extreme climatic conditions, safety at sea and early warning on pending disasters.
107. **Activity Set 5: will support InOM to conduct a Participatory Fisheries Resource Assessment and monitoring:** Co-management often requires the collection of data on fish stocks, habitat conditions, and fishing effort. This data will help in understanding the status of the fishery and making informed management decisions. This will also help in evaluating fishing seasons to ensure the long-term sustainability of fisheries.
108. **Description:** The guidelines for participatory fisheries stock assessment provide an overview of all six steps in the approach including: (i) understanding the context; (ii) engaging stakeholders; (iii) undertaking the stock assessment; iv) interpreting the results and giving feedback; (v) initiating management planning and (vi) evaluating the process.
109. **Targeting:** In addition to the 120 400 beneficiaries from 28 000 households targeted, this activity will provide a real opportunity for developing a participatory fisheries co-management and an additional 12 040 beneficiaries from additional 280 households
110. **Implementation modalities and TA (refer to TA ToRs in Annex):** The activity will be led by InOM with support from IDEPA and ADNAP. The Fisheries Specialist based at the PCU will provide the valuable technical backstopping, logistic support and general direction for this activity.
111. **Roll-out:** The Participatory Fisheries Resource Assessment will precede the development of co-management plans in order to inform the decision-making process.
112. **Expected outputs:** The outputs for this activity will include a better understanding of the local context and potential indicators to be considered in developing artisanal fisheries co-management plans. The activity will provide indications on the status, thresholds and targets for the artisanal fisheries co-management plans.
113. **Activity Set 6: will focus on developing communication material and awareness-raising:** Effective communication is essential in co-management to ensure that all stakeholders are well-informed about management measures, decisions, and any changes in the fishery. Awareness-raising campaigns and educational programs can help promote sustainable fishing practices among fishers and the wider community, including the preparation of a documentary on PROPEIXE to showcase good practices, success stories and innovations.
114. **Description:** PROPEIXE will develop communication material based on the project activities and also capture progress during implementation. The focus of a robust communication portfolio for the project will be to demonstrate positive changes resulting from the project interventions. Consequently, the communication material will include best practices, success stories and innovations but also highlight any challenges

encountered during implementation. This activity will develop adequate materials to produce a documentary on the project, that can be used as knowledge material in the design and implementation of similar projects.

115. **Targeting:** This activity is intended to sensitize a wider stakeholder than just the fishermen and project staff but will involve players in the whole fish value chain as well as policy level. Additional beneficiaries will include a number of service provider such as: input suppliers (gears and fishing accessories; processors, fish transporters; consumers; managers; policy makers; financial institutions and non-governmental organizations. Targeting for communication outreach for project information will spill outside the project area and targets an additional 20.000 stakeholders.
116. **Implementation modalities and TA (refer to TA ToRs in Annex):** IDEPA and ADNAP will be responsible for this activity and will capture materials from other lead and partners institutions in Component 1. The component will therefore acquire a multimedia communication equipment to support activities on communication.
117. **Roll-out:** The activity is expected to commence at the start of the project in order to document changes in a timeline. Partners in Component 1 will be engaged in identifying the line stories and themes for communication and awareness.
118. **Expected outputs:** the outputs of this activity will be the increased awareness of coastal communities of resource and environmental issues, the linkages between fishing activities and resource sustainability and the measures that local actors can take to ensure long-term sustainability.

## **2.2 COMPONENT 2: INCLUSIVE FISHERIES CLIMATE RESILIENT VALUE CHAIN DEVELOPMENT AND LIVELIHOOD DIVERSIFICATION**

119. **Expected Outcome:** The outcome of the component is improved economic resilience and profitability of artisanal fisheries and local livelihoods.
120. This result will be achieved through the implementation of interlinked interventions that lead to a better performance of fishing, post-harvest and commercialization of fish, better producer organization, awareness on climate change impacts and adaptation opportunities, greater entrepreneurship capacity and access to finance; and the development of climate-resilient infrastructure, while addressing issues related to social vulnerability, financial inclusion, and nutrition and gender mainstreaming in targeted fishing communities. This will be achieved through the following: Sub Component 2.1: Sustainable entrepreneurship and livelihoods development; and Sub Component 2.2: Value chain driven and climate resilient infrastructure development.
121. The component is directly linked to Component 1 (C1) through a transition approach that will identify successfully tested sustainable fishing practices and methods and assist them to progress into viable market-oriented operations. C2 is also linked to sub-component 3.1 (SC3.1), Institutional Strengthening and Policy Support, in which the creation of an enabling policy environment and operational capacity will be anchored.
122. It will integrate climate and social inclusion considerations into the process of livelihood diversification and help identify alternative income-generating activities that are less vulnerable to climate change impacts and support the adoption of climate-smart practices. For example, promoting enterprises that are adapted to changing weather patterns can provide sustainable alternatives to traditional fishing livelihoods. To promote more inclusive VCs, the component will carry out interventions that encourage the participation of women, youth and Persons with Disabilities.

## **SUB-COMPONENT 2.1: Entrepreneurship and livelihoods development**

123. **Outputs to be delivered:** Under SC2.1, the project will deliver Output 1: Sustainable and green fisheries enterprises developed. This will be achieved through implementation of key activities that can be divided into 3 categories: (i) Activity Set 1: Promote the private upscale of sustainable fisheries technologies successfully piloted under Component 1; (ii) Activity Set 2: Promote the development of sustainable fisheries enterprises; and (iii) Activity Set 3: Facilitation of access to financial services.
124. **Overall Target group and outreach:** Direct beneficiaries of the activities described below will be men, women and youth engaged in the production and post-production of fish, including service delivery. It is expected that the participation of men and women will vary; many women engage in mariculture and fish processing while most men and young men work in fishing.
125. The project will also involve medium-to-large scale market actors that play a vital role in the fisheries VC. This group includes fishery input suppliers, fish market operators and fish processing industries, among others. As part of the targeting approach, the project will encourage participation of organized groups, be they PCR groups or group enterprises, to facilitate the delivery of project services and engagement in partnerships arrangements.
126. Overall, the interventions supported in C2 will benefit 57 500 fishers, fish processors and traders (at least 50 per cent women and 20 per cent youth) in 21 districts, distributed as follows: (i) 29 600 persons involved in production activities (fishing and mariculture); (ii) 17 900 working in pre- and post-production stages of the value chains; and (iv) 10 000 implementing off-fishery alternative livelihood options.
127. **Coordination of activities:** The overall responsibility for coordination and implementation of activities will rest on IDEPA's Services Directorate for Fish Commercialization. A Market and Value Chain Specialist (M&VC) will be hired to provide strategic guidance and help implement coordinated interventions throughout the entire project period.
128. IDEPA will work in collaboration with other MIMAIP, namely InOM, INIP and School of Fisheries to provide the necessary technical expertise in fishery-related aspects. Similarly, infrastructure-related interventions will be supported by INFRAPESCA. The actual implementation of planned interventions will be outsourced to qualified consultants and service providers. At local level, on the ground support will be sourced from the IDEPA/SDAE network of fishery extension workers.
129. **Activity Set 1: Promote the private upscale of sustainable fisheries technologies successfully piloted under Component 1** will aim to develop economically viable and climate smart local activities along the fisheries VCs, as well as alternative green livelihood options that build on the 'pilots/trials' that have proven economically viable under C1 and are ready to be upscaled and supported in C2.
130. PROPEIXE will seek to improve the quality of traditionally processed fish products in order to expand access to affordable (and healthy) animal protein sources for local low-income consumers; and implement activities such as: consumer awareness campaigns on the quality of fish and its nutritional value, including its contribution to diversified diets.

131. In addition, green alternative livelihoods such as mangrove honey production and micro-food businesses, piloted successfully under C1 will also be upscaled in C2. Nutrition education and behaviour change programs to ensure that income generated is translated into improved dietary intake at HH and individual levels will also be supported.
132. **Description:** Under Activity Set 1 (AS1), the project will support the implementation of interventions in fishery production and post-production, including alternative income generating activities. Project support will include provision of technological packages and support services to: (i) upscale pilot mariculture initiatives; (ii) expand open sea fishing; (iii) improve post-production activities; and (iv) implement viable off-fishery alternative livelihood options.
133. **Support for mariculture:** This intervention will aim at providing community members the opportunity to diversify their activities and improve their earnings. It will focus on farming commercially aquatic species that have proven market demand and/or offer good prospects to become marketable, namely seaweed and mussels, while also helping improve food and nutritional security of fishing households. Piloting of mariculture will be carried out under C1. Upon confirmation of their technical and economic feasibility and environmental and social acceptability, beneficiaries will be assisted to upscale production activities and transition into commercial operations.
134. There are at least three provinces in the project area offering good natural conditions for the introduction of intertidal and subtidal mariculture, namely Inhambane, Nampula and Cabo Delgado. The province of Cabo Delgado offers good prospects for rapid progress in the production of seaweed as: community members are somehow familiar with the activity<sup>2</sup>; some organizations are already providing support to examine adequate sites, producer organization and farming technique(s); and there is proven market interest, including in the northern part of Nampula province (Memba). As access to markets can be a problem elsewhere, particularly in Inhambane province, this aspect must get priority attention from the onset of implementation.
135. Activities to be carried out will involve the following: (i) identification of adequate sites for commercial mariculture production; (ii) development of business cases/plans for funding through matching grants; (iii) organization of producers; (iv) provision of technical assistance to production and post-harvest processing; and (v) facilitation of linkages with buyers of produce.
136. **Expansion of open sea fishing.** While there is a general consensus that stocks of fishery resources remain substantially under-fished, the exploitation of fishery resources in open sea areas is constrained by the current limited fleet range and harvesting capacity. Attaining increased production and productivity requires an integrated approach to fishing, complemented by other interventions in input supply, boatbuilding and service provision. New organizational forms must be supported for fast construction and delivery of planked boats and the profitability of the open sea fishing operations.
137. At start, fishing trials will be carried out under C1, together with the deployment of fish aggregation devices (FADs) and artificial reefs (ARs), that can help get higher and

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<sup>2</sup> Driven by a private company in the late 90's, seaweed was commercially farmed; following a company's decision to stop in-country operations, production was halted due to lack of demand, but now it is slowly resuming as potential buyers have shown interest to move in when production reaches acceptable volumes.

- better-quality catch yields. In C1. Alternative fishing gear and techniques targeting small pelagic, tiny shrimps and anchovies will be also tested, to help compensate for the lost production that will result from the removal of beach seines. Under C2, support will be provided to accelerate uptake of successful operations in all five provinces<sup>3</sup>, with a view to increase fishing derived incomes and help reduce pressure on nearshore fishing areas.
138. Fish farmers and fishers accessing production technological packages and services will reach a total number of 29 600 from which 80 per cent women and 20 per cent youth in mariculture; and 50 per cent equally distributed for man and youth in fishing operations.
  139. **Improve post-harvest technology and marketing of fish.** IDEPA will be supported by INIP to implement a program directed to processors and traders dealing with fish processed in different forms<sup>4</sup>, namely: traditional processed products; iced/frozen fish; and value-added products. To this end, PROPEIXE will carry out training on 'best practices' of fish handling and processing including both traditionally processed fish, ice and frozen fish and value-added fish products; and assist individuals and companies attain basic hygiene and sanitary standards.
  140. The project will also launch consumer awareness campaigns on the quality of fish and its nutritional value, including its contribution to diversified diets, using the services of Radio Mozambique (RM) and the network of community radios. Through INIP, the project will assist certification of fish products for local markets, limited in scope to main landing sites and public markets facilities, as well as for exports in the region. In addition, the sub-component will implement nutrition education and behaviour change programs to ensure that income generated is translated into improved dietary intake at HH and individual levels.
  141. Fish processors and traders accessing technological packages and services for improved traditionally processed fish, iced/frozen fish and value-value added fish products, will reach a total of 17 900 from which 40 per cent are women and 30 per cent youth.
  142. In addition, a comprehensive fishery market information system aimed at improving market transparency will be implemented under the component. Information on fish selling prices at the landing points will be made available through Open Artfish to be supported under C3. The implementation of ArtFish is under the responsibility of ADNAP.
  143. IDEPA and ADNAP will work together to establish fish market data collection routines in selected reference markets<sup>5</sup>, including the procedures for processing and reporting on data coming from both landing sites and reference markets. This will enable comparing prices; and getting a clear indication about the level of supplies – low, medium or high - on a particular day or week. The results will be made available to fish buyers and sellers as well as to other interested parties. It will be disseminated in real time using mobile phones, to help market participants make informed decisions and, hence, better deals.

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<sup>3</sup> The technological package will focus on training and technical assistance in key topics associated with open sea fishing: gear assembly; use of ice on board; and safety at sea. The project will also help motorize the fishing fleet, but the focus will be the use of mixed propulsion (sails and engines).

<sup>4</sup> While focus on higher value fishery products is essential to access more profitable markets, PROPEIXE will help improve the quality of traditionally processed (salted-dried and smoked) fish products in order to guarantee access to affordable (and healthy) animal protein sources for local consumers.

<sup>5</sup> Markets to be considered include: Montepuez in Cabo Delgado province, Belenenses in Nampula city, Mocuba (Zambézia), Praia Nova in Beira city (Sofala) and Bairro Triunfo in Maputo City.

144. Successful operations in production and post-production of fish require adequate services in: input supply; boatbuilding; and other auxiliary services such as marine engine repairs, ice supply and cold storage. Under AS1, PROPEIXE will help expand construction capacity of boat models with proven performance in open seas fishing<sup>6</sup>. BDS required to develop investment plans and access finance are under AS2.
145. **Implementation of alternative livelihood options.** The subcomponent will assist the upscale of alternative income generation to diversify from fisheries. Potential coastal livelihood ventures to be considered for support, such as mangrove honey production and micro-food businesses, will be promoted on a pilot basis under C1 and, based on proven success, upscaled in C2.
146. This set of activities will target vulnerable households through provision of livelihood support packages (that include training and matching grants) and help add value to their current production in order to make their livelihoods more resilient. The specific outputs will include the provision of technical assistance to 10 000 participants (50 per cent women and 20 per cent youth) in determining the economic and technical feasibility of the proposed investment for alternative income generation.
147. **Targeting:** The economic activities of fishing households in the project areas revolve around agriculture, fishing and collection of intertidal resources. While men and young men are involved in fishing, women do crop farming and collect molluscs and shellfish in the intertidal zones. Both are involved in fish processing and marketing, but the participation of women therein is more accentuated in the southern part of the project area, in Inhambane province.
148. The project will engage beneficiaries in different VC operations, as follows: (i) open sea fishing will involve mainly men and young men engaged in fishing (boat owners, master fishermen and crew members) on 50/50 basis; and (ii) fish processing and marketing activities will target men, young man (30 per cent) and women (40 per cent). Enhancing women's participation in the value chains requires provision of support towards diversification. Therefore, the project will target women involved in the inter-tidal collection to engage in mariculture (80 per cent target), as this activity fits well into their daily calendar routines.
149. **Implementation modalities and TA:** The overall coordination and implementation of activities will fall under IDEPA responsibility. IDEPA will work with other MIMAIP partner organizations to design and implement specific programs, as follows: (i) with InOM, to support commercial production of seaweeds and mussels; (ii) with InOM and the School of Fisheries, to support wider adoption of proven improved and/or new fishing technologies; and (iii) with INIP, to support a market-driven training program on 'best practices' of fish handling, processing and marketing. Alternative livelihood initiatives, including those contributing to replace beach seining, will be supported working in partnership with NGOs (WWF, RARE, WCS, ADPP, OIKOS, etc.) involved in similar operations.
150. The terms of collaboration will be established through MoUs to be signed between IDEPA and each partner organization. They will work closely in the evaluation and transition of

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<sup>6</sup> This will be achieved through the following action: (i) attract interested private sector operators to enter the business and invest in facilities properly equipped; (ii) continue providing training in improved boatbuilding techniques and models; (iii) assist group enterprising in boatbuilding; and (iv) facilitate partnerships arrangements between private sector companies and organized groups of local boatbuilders.



activities from C1 to C2. In addition, the Fisheries Specialist hired under C1 will support the technical requirements of the new enterprises. The business aspects associated with these activities will receive support from the BDS service provider.

151. **Roll-out:** To roll-out the above-mentioned activities, IDEPA and the implementing partners will initially train local MIMAIP technical staff and SDAE extension officers in subjects associated with each specific intervention. The ToT in production and post-production technologies will start during the experimental stage, in C1, and continue under C2. Here, the focus will shift to address matters relating to community engagement techniques and transfer of knowledge and skills required to successfully run commercial operations.
152. Beneficiaries engaged in mariculture and fishing ventures will be those that participated in the trials and/or pilot phase. Other interested village members will be registered and profiled with support from the extension workers. Local people who showed stronger capabilities during execution of the pilot programs will be selected and trained to act as 'lead' fishers/fish farmers. They will help efforts towards uptake of technological packages and transition into market-oriented operations<sup>7</sup>. The extension workers will help identify and select people who will also be trained to act as 'reference' fish processors. Supported by the 'lead and/or reference' agents, the extension workers will be tasked with the responsibility to implement a village-based training and support package, and provide continuous regular on-field support to help beneficiaries to successfully implement their operations.
153. To this end, a training program describing the approach, modules, topics and contents will be designed. Lighter version of the ToT's training manuals will be prepared and used for training project beneficiaries. To allow for an effective transmission of knowledge and information, the training tools and materials will be adapted and presented in simple forms, using illustrations and other visual forms as much as possible. Training beneficiaries will move away from school-type of training which has failed to provide satisfactory results in the past. The working sessions will be practical in nature and use participatory tools, such as field demonstrations, to engage all participants and facilitate learning.
154. Extension packages on fishing, mariculture and post-harvest and marketing of fish will be prepared to facilitate wider dissemination of messages at the community level and to fish consumers at large. The actual work needed to convey information and train project beneficiaries will be done through community radios and other mass communication platforms.
155. **Activity Set 2: Promote the development of sustainable fisheries enterprises** will aim to develop business start-ups and MSMEs and facilitate access to financial services.
156. PROPEIXE will provide support to incubators and start-ups to form MSMEs in fishing and post-production operations, be they individual or group enterprises, through training to strengthen business skills and assistance to develop business plans that will enable

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<sup>7</sup> During discussions, it was emphasized that 'lead/reference' fishers/fish farmers/ processors should get priority in receiving assistance to access BDS and financial support packages.

- presenting bankable requests to financial service providers. This will include those offering auxiliary services such as boat building, engine repairs, ice making and cold storage, among others.
157. Project support will be provided to build engagement capacity between private and public sector and local fishing communities, and the identification and piloting of Public-Private-Producer Partnership (4P) models that can strengthen inclusive supply chain linkages between small and larger players operating in the VCs. The project will encourage and help group enterprises to engage in 4Ps, including brokering of buyers-seller's agreements.
  158. Service providers will be outsourced to design and implement the following programs: (i) youth employment and entrepreneurship; (ii) formation of GALS champions; and (iii) nutrition education activities. Within this context, the project will also strive to support women's capacity to remain engaged in the different nodes of the VC (and other remunerative opportunities) and keep on benefiting from it as they engage in more market-oriented operations. Through formation of Gender Action Learning System (GALS) champions and promotion of the GALS methodology at community/HH level, the project will support women to share control of income earned and decision-making focussed on increased HH's food consumption expenditure and investments in children's education.
  159. **Description:** Under AS2, the project will support business enterprise development through: (i) provision of business development services; (ii) support to group enterprise development; (iii) promotion of public-private-producers partnerships; and (iv) youth employment and enterprise development.
  160. **Provision of business development services:** BDS are a very important means of supporting the development of MSMEs, which are known to create employment, generate income and contribute to economic development and growth. Under AS2, local MSMEs will profit from demand-led services that deploys a progressive approach to fisheries enterprises development, be they individual or group enterprises. To this end, services will be deployed to implement the following activities: (i) provide training to strengthen business skills of VC participants; (ii) develop viable business plans and help present bankable requests for financing; (iii) provide implementation support and coach MSMEs. This wide range of services forms the backbone for MSMEs development in the project area<sup>8</sup>.
  161. Related to, but not limited to, the key operations of MSMEs in the fisheries value chain, the tasks to be performed by the service provider will include: (i) needs assessment and prioritization of operations and services; (ii) market assessments of those operations; (iii) development and/or improvement of business models; and (v) identification and development of tools for capacity building.
  162. The number of fisheries enterprises accessing business development will reach a total number of 1 085. The distribution by activity type is as follows: (i) inputs provision and services to production (30); (ii) production (245); (iii) fish processing and marketing (490); and (iv) alternative income generating activities, (120).

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<sup>8</sup> Key to the success of efforts seeking to build business capacity of VC participants is to ensure that the contracted service provider is capable of guiding MSMEs, while exhibiting a good understanding of fishery-related businesses. Thus, while some technical input can be regularly sourced from IDEPA's service directorates, the BDS provider will be required to include adequate fishery-related expertise in the team.

163. **Support for group enterprise development.** The project will encourage smallholders to work together as a means of entering more secure and rewarding markets. To this end, the project will contract a dedicated service provider to help establish and build capacity of group enterprise, be they associations or cooperatives. Group enterprising will facilitate the delivery of project services and engagement in partnership with large VC players.
164. Past experiences have shown that models based on collective ownership of productive assets are not adequate to promote group enterprises. Therefore, the groups will be encouraged to form small groups, in which each group member owns his/her business unit, while cooperating with others to gain access to inputs and services (fishing equipment, financial services, etc.) and market together outputs in order to improve bargaining power and achieve economies of scale.
165. Interested people at village level will be supported to form, structure and register their organizations. Group members will receive training that includes group dynamics, conflict resolution, book-keeping and other issues deemed important to develop joint ventures. The groups will also receive dedicated training in business management.
166. The project will strive to support first-tier groups which will form unions at village level and then establish (and join) second-tier organizations at district level; no apex structures for such group commercial entities will be established by the project. The second-tier organizations will help negotiate supply arrangements with other VC participants and thus facilitate market access. In the promotion of group enterprises, priority will be given to youth and women groups.
167. Group enterprises receiving support to engage in more rewarding income generating activities will reach 200 with a total membership of 2 000 people of which 40 per cent are women and 30 per cent youth.
168. **Promotion of public-private-producer partnerships.** Project support will be provided to build engagement capacity between private and public sector and local fishing communities, and the identification and piloting of Private-Producer Partnership (PPP) and/or Public-Private-Producer Partnership (4P) models.
169. PPP arrangements will be pursued to help establish linkages between small and larger players operating across the VCs. These partnerships are about supply arrangements and will therefore involve the concerned parties, with the project playing a facilitating role. Potential opportunities for establishing partnerships include: (i) fishery input wholesalers and village-based retailers for expanding distribution outlets; (ii) interested private sector operators and organized groups of boatbuilders for faster/serial construction of fishing boats; and (iii) fish market operators and/or fish processing companies, on one side, and organized groups of fishers, on the other<sup>9</sup>. The project will assist the formation and capacity building of group enterprises and encourage them to also establish partnerships; and help brokering of buyers-seller's agreements.
170. Market infrastructure-related partnerships are directly linked to market management systems and, therefore, will involve a different arrangement that resembles 4Ps. They

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<sup>9</sup> In this regard, most partnerships will be about: accessing ice and cold storage inputs for ensuring good quality of raw material, aggregation of produce to reduce transaction costs; and fish processing to reach more rewarding fish markets.

are addressed in SC2.2 to ensure better harmonization between the management and the hard investments involved in the renovation and upgrading these facilities.

171. **Youth employment and enterprise development.** This intervention will be geared towards the achievement of two main outcomes: (i) young people increase their participation in the labour market through access to skills for improved employability; and (ii) sustainable enterprises create youth employment through business hubs/anchor enterprises and work-based learning.
172. Youth enterprise development will have a broad scope, targeting at least 20 per cent of youth overall beneficiaries in all provinces; dedicated targeted activities will be implemented with focus on fragile areas to support youth and also IDPs (50 per cent) in the northern provinces of Cabo Delgado and Nampula. It is expected that this activity will result in 2 500 young people trained, being 1 500 attend skills and professional training through TVET (e.g., 3-6-9 months), 1 000 already trained receiving business development training, coaching and access start-up fund., and 800 jobs created.
173. **Targeting:** The target group for enterprise development interventions are individuals and enterprises operating along the VC chain: (i) in production, fishers and fish farmers; and those involved in alternative income generating activities; (ii) in post-production, fish processors and traders and processing industries; (iii) in service provision, boatbuilders, marine engine mechanics, fishery input suppliers. The project will also involve medium-to-large scale actors that play a vital role in the fisheries VC.
174. Dedicated assistance will be provided to women and youth with a view to enhancing their participation in the value chains. Support will draw from lessons gained in the implementation of GALS, in PROMER, and the ongoing REFP/ILO initiative in support of youth employment and enterprise development opportunities for internally displaced people in Northern Mozambique.
175. **Implementation modalities and TA:** The implementation of activities will be outsourced to qualified service providers. They will assist implement BDS activities and group enterprises development. PROPEIXE will engage consultancy services to provide timely inputs for the preparation of PPP guidelines and provision of related implementation support. Similarly, consultants will be contracted to carry out a situation analysis of associations and cooperatives in the project's area. In addition, consultancy services will be hired to assist design and implementation of fish markets management models, within a 4P context, for the facilities to be renovated and upgraded. This will be addressed in detail under SC2.2.
176. The BDS provider will work closely with IDEPA and other implementing partners playing a key role in the support of fishery and off-fishery ventures, either strengthening group enterprising or providing financial services (including PCR promotion). Collaborative arrangements will be pursued with the consultants assisting PPP development. Arrangements must also be put in place to ensure good coordination between the BDS and group enterprising service providers and the IDEPA/SDAE network of extension workers for continuous on-field technical support on these specific areas. Regarding support to PPP development, a dedicated training will be provided to the extension workers to be able to play a facilitating role, including provision of assistance for conflict settlement.
177. **Targeting IDP youth and host community in the North:** Considering the technical specificity both geographical and contextual in which PROPEIXE will seek to implement the set of activities in the Northern Provinces (Cabo Delgado and Nampula), preferences will be given to the implementation of these through a Specialized Technical Agency.

The latter should ideally possess an established (in country) food print and track-records of working with key partners operating both on the public and private side, with preference for an agency that has an array of technical expertise (also regional) preferably linked to in house flagship programs and technical advisory services (TA) to Government and other IFI programmes. Additional experience in targeting, prioritization and inclusion of vulnerable groups (youth and specifically youth from IDPs) is to be considered as a relevant asset, especially considering the current population growth trends for Mozambique.

178. **Roll-out:** Potential participants for BDS support the beneficiaries receiving technical support to transition into market-oriented operations, so support activities can be launched almost immediately. Other participants will be registered and selected working together with the extension officers. Both fishery and non-fishery enterprises will be recorded, itemized and profiled.
179. Following the initial profiling of potential partnerships, PROPEIXE will approach interested participants to learn more about their ideas and needs. Through REFP and PROAZUL, Call for Proposals will be launched asking interested lead companies to submit concept notes for appraisal on the projects/partnerships they intend to develop. Once they are approved, investment plans will be prepared to guide implementation. Support for partnership development will draw from lessons of the IFAD/SNV regional grant 'Promoting 4Ps in IFAD-funded Value Chain Development Project' and, most notably, PROMER's on-the-ground experiences<sup>10</sup>.
180. Dedicated support will be provided to input suppliers, with a view to expand outreach and enhance the retailer's capacity to handle higher and more diversified volumes of inputs. At the start, the project will map and profile all actors involved in the supply chain. Wholesalers will receive information on market opportunities and prospects for expanding business by establishing linkages with village-based retailers. The project will target at least two retailers per province. Similarly, the project will assist organized groups of boatbuilders to partner with capable private sector players and engage in faster/serial construction of fishing boats. Two groups by province will be targeted.
181. In the meantime, consultancy services will be engaged first to carry out a situation analysis of existing associations or cooperatives. The launch of activities in support of group enterprises will draw from the results of this assignment. To the extent that they exist and are active, the next task will be to perform a capacity assessment to deepen the understanding of how they function and operate, and to what extent efforts should be focussed to support existing groups or be directed to establish new ones.
182. Following this, the project will: (i) launch operations to form and structure group enterprises and strengthen their organizational and business capabilities; and help plan and implement operations that will enable engaging in more profitable businesses; and (ii) help establish 'win-win' partnerships.
183. **Activity Set 3: Facilitation of access to financial services** will enable local MSME growth and help expand business operations by assisting individuals or group

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<sup>10</sup> In less competitive settings, PROMER decided to implement a scoping approach to identify and select key players who would receive direct support to prepare concept notes and viable investment plans to enter and develop partnerships.

enterprises to prepare bankable business proposals and submit applications for financing by REFP and PROAZUL. PROPEIXE will also support interventions aimed to build the capacity of PCR groups to partially fill the existing gap in service provision to fishing communities and strengthen the foundations for sustainable financial service delivery. This will be achieved by helping establish a network of local promoters and promoting wider use of mobile platforms, linkages to commercial lenders and other innovative solutions.

184. Financial mechanisms and insurance schemes tailored to the needs of fishing communities can help them cope with climate-related risks and shocks. This can include microfinance programs, weather-based index insurance, and community-based risk-sharing mechanisms to provide financial support during adverse events.
185. **Description:** Under AS3, the project will support interventions aimed to bring financial solutions for investments in the VCs, namely: (i) Facilitation of access to financial services; and (ii) Strengthening of PCR groups.
186. **Facilitation of access to financial services.** The financial packages available under PROPEIXE are as follows: (i) REFP will make available credit lines, crowding-in funds and matching grants; and (ii) PROAZUL offer is limited to matching grants. In addition to resources available under the 'Mais Peixe' matching grant initiative, a targeted matching grant fund will be established under PROPEIXE to cater for the specific needs of women, youth and People with Disabilities. All the mechanisms to be used have to be strictly aligned with IFAD's inclusive rural finance policy (December 2021) and shall provide a path towards sustainability.
187. The matching grant funds will have a special focus on promoting a new generation of young rural entrepreneurs, who can present a viable business plan and thus reduce financing risk, establishing financially sustainable MSMEs. Smaller enterprises with small investment requirements would receive better financing terms, while larger investments, would be required to contribute a progressive share either from own (matching) assets capital or combined with credit (crowding-in fund). It is expected that while investments in regular operations will be channelled for consideration under REFP's line of credit and/or crowding-in fund, matching grants will be used to support smaller and emerging/innovative operations in the VCs.
188. The targeted number of enterprises accessing PROPEIXE matching grants for value chain-related investments, both individually or in groups, is estimated to be 160.
189. **Strengthening of PCR groups.** PROPEIXE will outsource the services of qualified local entities to build the capacity of 1 200 PCR groups and strengthen the foundations for sustainable financial service delivery at community level.
190. The service providers will work through existing community promoters to support PCR activities at village level. Wherever necessary, the service provider will hire local community members and train them to become promoters of PCR<sup>11</sup>, assist group members open bank accounts, use mobile platforms, such as mobile money and payment etc., linkages to commercial lenders and other innovative financing solutions,

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<sup>11</sup> They are charged with the responsibility to help the groups carry on with the regular saving and credit routines. The promoters also help groups to close the cycles, ensuring that members receive their capital back together with the interest it earned during a cycle.

- etc. When the number of PCR promoters rises they could also be encouraged and assisted to form a group and register as an entity dedicated to such service provision.
191. Under PROPEIXE, mobilization will be conducted to increase women's membership in PCRs groups (target 60 per cent women) and ensure they receive finance literacy education among other services. The PCR groups will also serve as an entry point for delivering nutrition education activities. To this end, targeted support to improve their nutrition through kitchen gardens and provision of other inputs (in addition to nutrition education) will be provided.
  192. These activities are expected to reach 24 000 persons (60 per cent women) to be members of PCRs and at least 50 per cent of them (or 12 000 participants) are expected to be very poor women who will also be targeted by nutrition education interventions.
  193. **Targeting:** The targeting groups for access to financial service will be individuals and enterprises living and/or working in the project area; a large part of funding requests will originate from applicants supported by the BDS provider. While access to formal financial services will target affluent community members or people transiting from near-subsistence into commercial operations, it is expected that most members of PCR groups will be poor people, including women joining the groups with support from their husband or relatives. A dedicated matching grant fund will be established under PROPEIXE to cater for the specific needs of women, youth and People with Disabilities.
  194. **Implementation modalities and TA:** The terms of collaboration with REFP and PROAZUL will be established through MoUs to be signed between IDEPA and each partner organization. The applications submitted for financing by REFP financial products or PROAZUL matching grant funds will be supported based on eligibility criteria and financing mechanisms already outlined in the respective manual of procedures. The project will discuss and agree with PROAZUL the specific conditions under which funding through PROPEIXE's matching grant funds will be made available. The project will also discuss and agree with both parties a set of harmonized procedures to ensure smooth and coordinated implementation, including what type of operations/proposals will be eligible for funding through matching grants.
  195. Contracted PCR service providers will hire and train community promoters as part of the strategy to achieve sustainability, which in turn will extend services to existing and, eventually, new PCR groups.
  196. **Roll-out:** Implementation of field activities will use resources and mechanisms already in place in the project area, including two regional REFP offices, in the center and northern parts of Mozambique, respectively, and the IDEPA provincial offices in all provinces in the project area. The financial packages will be made available through calls of proposals to be launched periodically.
  197. Screening of proposals of interested candidates with investment plans, especially within the context of PPPs will take place applying the following criteria: (i) assessment of inner characteristics of the applicant reflecting on the investment perspective: reliability, commitment and professional background; (ii) profitability and economic viability of the planned investment; (iii) potential for positive impact towards the target group; (iii) cross-cutting issues (e.g. nutrition, gender, vulnerable groups, environment, climate impact).
  198. The BDS provider will help identify and build capacity of candidate enterprises for investment support working in collaboration with IDEPA/SDAE fishery extension network. They will assist them to prepare and submit applications for review and approval; and will also provide support to implement the approved projects. Successful

applicants will receive training beforehand in Sustainable Management of Resources and Social and Environmental Safeguards. The implementation will be monitored regularly by REFP and PROAZUL. A Dialogue and Complaints Mechanism system will be adopted to deal with grievances.

199. Contracted PCR practitioners will hire and train community promoters as part of the strategy to achieve sustainability. Subsequently, they will be assisted to register as associations of local service providers and continue servicing existing groups beyond the project duration; and help other community members wishing to form new groups and engage in similar operations.
200. **Gender Action Learning System:** GALS aims to develop the capacity of all participants to make changes in their own lives and also become champions of change in their households and communities through convincing others. Champions are the “catalysator” people that upscale GALS in the communities. In PROMER, starting from 2018, 30 catalyst champions (50 per cent women) participated in upscaling the GALS ending with 5 886 people (2 862 women, 3 024 men) in 15 districts (2022). During the piloting of GALS, the following tools were used on the initial step of implementation of GALS: (i) Vision(ii) Vision Journey; (iii) Happy Family Tree; (iv) Income Increase Tree and (v) Diamond.
201. GALS process is participatory that provokes critical thinking, strategic thinking, self-reflection, improve planning skills, increase the motivation to initiate changes, and strengthen leadership skills, and its impact is mostly invisible. The GALS is perceived as a simple process that leads to changes in participants’ lives, however, the process is serious, deep, and sensitive at the same time.
202. Based on past experiences, women’s positive perception of the changes is related to a more equitable work balance in the home, greater voice in household decision-making, a fairer share of economic benefits, improved food security and nutrition and reduction in domestic violence. The use of GALS is expected to generate results that relate to better gender equality and women’s empowerment, improved nutrition.
  - Increased gender equality enables’ women empowerment: raising their status, economic condition and decision-making capacity at household, group and community level. Men are engaged as allies to promote win-win strategies, contributing to change gender-based roles, perception and discriminations
  - Equitable and inclusive control and decision-making on the use of household’s income. GALS will promote purchasing nutritious foods (especially for women and children); increased consumption of diverse nutritious foods that address nutrition gaps; improved food safety practices, food preparation techniques that conserve nutrients and hygiene practices; improved feeding and caring practices for infants and young children.
  - Encourage household members to work together and reduce women’s workload (in particular, collecting fuel wood) through environmentally-beneficial solutions;
203. Champions will be trained to use the GALS tools: Vision road journey, Gender balance trees, social empowerment and leadership map, diamond dream, multilane highway and challenges action tree related to climate change and nutrition. When sharing GALS, a focus will be placed on gender justice, dimensions of nutrition aspect and climate adaptation. This aims at increasing participants’ ability to develop a sound and realistic livelihood analysis and planning. Special focus will be placed to ensure sustainability of vulnerable women groups. On this basis ProPeixe will support initial formation of 30 Champions (first round) estimating replication effect of about 5 000 persons able to replicate GALS methodology at households level in the following 4 years.



204. **Implementation Modalities:** Activities will be implemented by a GALS expert (consultant) hired through a competitive process. The consultant will be responsible for rolling out the GALS System and will be possibly hired on a retained basis. The overall supervision of the work will be under the responsibility of the SI expert in the PMU (see draft ToRs in Annex III).

205. Proposed roll-out of GALS:

*Table 5. Proposed Roll-out of GALS*

Phase I: Change catalysts (2 months- Y1)	<p>A workshop of 5 to 10 days called "change catalyst workshop" (CCW) is organized to share and learn about the GALS principles and basic tools. It is designed to help visualize and plan for a better and happier life – and immediately start bringing about changes.</p> <p>Introduction of basic tools: soulmate visioning; road vision journey; gender balance tree; social empowerment and leadership map; multilane highway. About 20-30 community members and some key project staff (no more than 20% of total participants) are trained by GALS facilitators.</p> <p>A pool of GALS champions formed at community level Project management and staff are sensitized, trained and mobilized in the process.</p>
Phase II: Change catalysts (2 months- Y1)	<p>A community action learning process starts after the CCW. Participants, with support of project staff or the implementing partner, meet to use the tools (fine-tuning them from the CCW), share and learn with peers. The peer-sharing mechanism is commonly called "pyramidal peer sharing". A ratio of one person trained can share with three to five peers.</p> <p>Community members go back to their communities, use and share the basic tools with at least 5 people (family members, friends and peers) with the support of facilitators or project staff or a service provider. They are becoming "GALS champions". Each champion should plan on how to share the methodology, thus promoting upscaling through the pyramidal peer-sharing system.</p> <p>Provide regular field monitoring and support to GALS beneficiaries by asking them to present their drawings in groups, explain achievements, and clearly track the number of people with whom they have shared the methodology. Collect data on elements of the participant's vision and link them to the objectives of project activities (e.g. desired assets such as livestock, desired expected income, etc.)</p> <p>Upscaling process launched through the peer-sharing system Project staff progressively skilled to conduct, monitor and facilitate the community processes A database of champions is developed.</p>
Phase III gender Review (Y3)	<p>Changes are assessed through a participatory gender review (PGR), also called Happy Family Review. A workshop for GALS champions is organized with specific tools used for this participatory review.</p> <p>PGR tools: road achievement journey; gender diamond; poverty diamond With support of GALS facilitators, participants of the CCW assess their progresses and achievements and update their goals.</p> <p>The PGR is often linked to a formal evaluation exercise conducted by the project to report on GALS relevance and effectiveness (also updating activity targets and feeding into the M&amp;E system). The IFAD Empowerment Index or the Project-level Women Empowerment in Agriculture Index (Pro-WEAI) and its qualitative research protocols provide tools for the broader evaluation exercise that project staff can combine with the PGR.</p>

Phase Mainstreaming phase (Y3)	<p>IV: Advanced tools are used to develop livelihoods through access to markets, entrepreneurship, and gaining voice in related decision-making instances. Development of trees based on the GALS advanced tools – for example, on cassava, it will be a cassava income challenge action tree, household cassava tree, cassava market map and cassava calendar vision journey. BALI tools include Business Innovation Vision, Business Innovation Challenge Action Tree and Happy Business Tree.</p> <p>A GALS expert designs and customizes the tools to specific needs. With GALS facilitators, the most committed participants (GALS champions) participate with key project staff (no more than 20% of participants). Other players can be included such as value chain actors or microfinance institutions.</p> <p>It is key to ensure linkages between phase 3 and concrete opportunities provided by the project (e.g. support to market access, development of value chain stakeholders' platforms). Specific expertise is required to develop the capacity of GALS champions on specific topics of interest such as financial literacy, accounting or technical specificities of a given value chain.</p>
Part V: Sustainable Plan (Y4)	<p>The process is being mainstreamed in local/national institutions. Local leadership and ownership are reinforced.</p> <p>Tools are designed on demand: mapping of actors; win-win tree; multilane highway for stakeholders.</p> <p>The process is perpetuated by community volunteers (GALS champions) with interested public, private or civil society actors. GALS champions at this stage are likely to have become (semi)-professional GALS facilitators at national or international level.</p> <p>The project should open doors for policy engagement at local and national levels. Support of a strong knowledge management and learning agenda can be conducive to promote sustainability and integration in existing institutions.</p>

## **SUB-COMPONENT 2.2: Value chain driven, and climate resilient infrastructure development**

206. The implementation of interventions under this subcomponent (SC2.2) will contribute to one broadly defined output: "More resilient fisheries value chain infrastructure established".
207. SC2.2 will invest in fish value chain related infrastructure and its sustainable management, by supporting interventions aimed at addressing infrastructure and management related constraints faced by artisanal fishers, traders, and other relevant actors operating within the fish value chain.
208. Planned interventions will include the development of PPP market management models, supporting economically sustainable, climate-resilient and accessible infrastructure investments that: (i) reduce post-harvest losses and add economic and market value; (ii) guarantee food safety and extend shelf life; (iii) upgrade performance and competitiveness of the artisanal fishery sector; and (iv) improve the resilience, incomes and livelihoods of poor households involved in artisanal fisheries, including women, youth, and persons with disabilities.
209. The project will invest in: (i) rehabilitation, climate proofing and maintenance of feeder roads connecting production sites to markets or to the main roads; (ii) upgrade or

restructuring of existing market places including but not limited to the introduction of renewable energy and environment friendly technologies, adequate cold storage, water and sanitation facilities, accessibility facilities to persons with disabilities. The type of facilities to be supported includes: first sale fish markets; reference fish re-distribution markets; and 'transit points' fish marketing support sites.

**210. Activity 1: Feeder Roads Rehabilitation and Climate Proofing**

211. Investing in fish landing sites to market corridors roads rehabilitation has enormous potential to fill the gaps from production to related markets, reduce post-harvest losses, reduce transport and transaction costs, and improve fishers' competitiveness and ability to reach their productive potential and to access and effectively participate in markets.
212. To ensure that sustainable physical connections between selected production/landing sites and fish markets are provided throughout the year, the project will support the full rehabilitation, climate proofing or upgrade of 360 km of feeder roads<sup>12</sup> connecting fishery production sites to markets or to any relevant structure in the value chain. This activity will improve market access for various actors operating within the fish value chain (e.g. artisanal fishers, processors, traders, etc.), reduce transportation costs, and minimize post-harvest losses by ensuring swift and safe delivery of fresh fishery products to consumers. The rehabilitated/upgraded roads will be climate resilient and adequate drainage systems will be designed and constructed. Additionally, the project will contribute to the routine and periodic maintenance of the rehabilitated roads by dedicating adequate funds, and by forming, training and equipping community-based road maintenance committees (RMCs).
213. The road rehabilitation process will be implemented based on the following steps: identification/prioritisation, survey/design, procurement, rehabilitation/construction works, supervision and handing-over. Activities will start in the first year of the project and will be achieved by the fifth year to ensure that expected impacts are visible before the end of the project lifecycle.
214. **Identification, selection and prioritization.** The development of roads will be demand-driven, in line with the needs/requirements of the fish value chain development. Road identification and selection process will be participatory, involving beneficiaries, IDEPA, Districts' Road authorities, ANE, and under the leadership of the PMU.
215. When the number of potential roads is exceeding the target, a multi-criteria evaluation, scoring and ranking exercise will guide the prioritisation process of the roads. These include: (a) Economic criteria (value for money) will be the most important of all. Road improvement activities will be in the most productive areas; (b) Social criteria are expressed by: (i) population served by the road, specifically artisanal fishers, processors, and traders; (ii) number of social facilities (education, health, markets, etc.) served by the road;(c) Technical criteria: reflecting the level of complexity in implementing targeted rehabilitation/construction works; (d) Environmental criteria to

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<sup>12</sup> The report of the Impact Assessment of the Road Rehabilitation indicates that most of the roads were rehabilitated at average cost within local standards and most of them within the allotted time. The average cost/km of the spot improvements was USD12,303/km, 82% of the projected USD15,000.00/km. The average cost/km of the total rehabilitation in Phase II was USD 15,018/km against the USD15,000/km initially planned. The proposed PROPEIXE targeted quantities and related costs have been projected using these figures as reference.

- be considered are: (i) length of the road passing through landslide/eroded area in the mountain or a flooding prone zone in plain area; (ii) number of trees to be cut down; (iii) the area of forest that should be encroached by the road; (iv) level of alteration of surface water hydrology crossed by the roads. The importance of impacts for these criteria is evaluated through the likelihood of remediating them;
216. All pre-identified roads will be scored according to areas provided by each criterion above. The most important criteria (economic/value for money) will be attributed the higher importance following a weighting approach. All roads will be prioritised following a rating system. The higher the score, the more important the priority of the road during further steps.
  217. The weights of each set of criteria (technical, socio-economic, environmental) and the weights of each single criterion within a given set of criteria can be determined using different approaches, e.g. the Analytical Hierarchy Process and/or through the use of specific questionnaires to be compiled by selected technical and managerial staff of the implementing agency (IDEPA) and the most relevant implementing partners both at central and provincial levels (i.e. ANE, Districts' road authorities). The interpretation of questionnaires' answers will indicate Central/Provincial priorities and would enable calculating the different weights and therefore calculation of an overall score for each potential road and consequently establishing a ranking.
  218. The selected roads should, in any case, comply with the project SECAP category in terms of volume of traffic. Additionally, The PMU Infrastructure Engineer will work closely with the district roads authority to ensure that the selected roads are not part of the district development agenda or other ongoing development projects plans.
  219. **Roads Survey and Design.** Those potential candidates/roads scoring highest in the multi-criteria analysis will then be selected for design which will be undertaken by a competitively recruited private consulting firm. ANE will support the PMU in: (i) preparation of necessary bidding documents for the procurement of consulting services to conduct road design, (ii) invitation of bids and evaluation. Site survey will be preceded by an appraisal and analysis of available data including existing topographic, hydrological, geological and meteorological data in addition to anecdotal information, maps and aerial imagery indicating key land uses, cadastral information, and critical infrastructure along the road. Site survey will then be conducted and would generally include: (i) Estimation of the existing road traffic volume, (ii) topographical survey, (iii) soil and geotechnical investigations, in addition to (iv) an assessment of specific sections necessitating drainage infrastructure including spot interventions like culverts and bridges. All surveys will identify unexpected hazards to be mitigated. Location of best construction materials (in sufficient quantities) will also be determined for further use during works. The design phase will also look at and envisage various technological measures that will contribute to reduce the consequence of erosion and other effects of water on the road assets, particularly due to extreme climatic events as a result of climate change.
  220. Based on all information and elaborations above, an optimized design will be developed specifying the scope of works, design criteria for the carriageway specific sections, its geometry, drainage and structural elements, construction specifications, in addition to environmental, social and natural hazard management parameters. The design process should comply with the national standards and technical specifications adopted by ANE for unclassified gravel/laterite roads (from 4,5 to 6 meters roadway width in addition to the side drains' widths), and will result in the development of Bill of Quantities BoQs (including drawings, line diagrams, safety measures, etc.) and preparation of bidding

documentation to be used for further advertisement. Design packages will be subject to approval by the PMU Infrastructure Engineer prior to implementation. Through the establishment of a specific MoU, ANE will work closely with the PMU on: (i) preparing the tender documents for the consultancy services, (ii) evaluating technical and financial offers, and on (iii) reviewing the deliverables, specifically, the design drawings and the bill of quantities, and advising the PMU on validation.

221. **Procurement.** Procurement process will be launched by the PMU based on the bidding documents prepared at design stage. Road batches and lots should be arranged to ensure easiness of work scheduling, including both earthworks and structures altogether on the same road.
222. The following will be considered in selecting competitively recruited contractors (or joint ventures), to ensure good quality and timeliness of works: (i) past experience on road infrastructure construction (at least five years); (ii) number of similar rehabilitation or construction works implemented (at least five); (iii) quality and ownership of relevant construction equipment (e.g. grader, wheel loader, tank truck, compactor, etc.); (iv) qualified and experienced staffs; and (v) demonstrated financial capacity. PROPEIXE will plan the procurement process and contract award to allow execution of works during dry seasons. Each contractor will be assigned a duration of six months in average to complete targeted works.
223. **Rehabilitation and Climate Proofing works.** All road works will be implemented by contractors hired on a competitive basis and will be executed through the equipment-based approach. All interventions will be in line with specifications and guidelines prescribed by the BoQs. Before starting with works, sensitisation of the target beneficiary communities will be carried out by PROPEIXE, especially when their contribution is required in terms of provision of local material (aggregate, water, etc.) and unskilled labour which will be paid by the contractor. It is expected that such community involvement will contribute to build their capacity to maintain the rehabilitated roads.
224. In terms of climate proofing, and depending on the road segments vulnerabilities, engineering-based adaptation measures could include: improvement of subsurface conditions, material specifications, cross section and standard dimensions, drainage and erosion, protective engineering structure. Additionally, and in order to cope with the increase in precipitation and extreme events on roads, the following potential measures could be considered, as needed: i) Applying a safety factor to design assumptions; ii) Reducing the gradients of slopes; (iii) Increasing size and number of hydraulic structures; (iv) Increasing water retention capacity and slow infiltration through natural or bioengineered systems; (v) Raising the road surface and adding additional drainage capacity; (vi) Increasing monitoring of vulnerable roads in order to prevent disasters; (vii) Using water capture and storage systems; (viii) Realignment natural water courses (river training); (ix) Enclosing materials to protect from flood water (i.e., impermeable linings); and (x) Using materials that are less affected by water.
225. **Supervision of works.** The consulting firm that designs the roads will be responsible for supervising implementation of works, following guidelines of the design. The supervision framework can include stationed staffs assigned on sites based on geographical locations (remoteness of various sites) and/or periodic field visits by a supervising engineer. After the contract is awarded, each contractor will update the work chronogram to serve as a tool to assess the progress (quantity and quality) of works and monitor the overall target. In consultation with the PMU, the consulting firm/supervising engineer will carry out day-to-day site supervision visits and will submit

a comprehensive monthly report on the work progress. It is expected that during site supervision visits, he will provide timely guidance to the contractor and recommendations to address technical issues or work deficiencies arising on the sites during implementation of works. This will ensure that the deliverables are sustained and aligned with technical specifications.

226. The district road authority will undertake regular field visits and take part in site meetings and each follow up mission will be clearly documented. Both the district road authority and the consulting firm/supervising engineer should jointly advise the PMU on works provisional and final acceptance and the related payments.
227. The project will build the capacity of district road engineers in terms of road rehabilitation and supervision. The "*Centro de Formação de Estradas de Chimoio*" has been identified as a potential partner able to support this activity according to a specific MOU/MOA established with PROPEIXE.
228. **Defects liability period and hand-over.** All roads will be subject to a defect's liability period of at least six months (or one year if deemed necessary by ANE), after completion of rehabilitation works. During that period, all deficiencies and other problems identified by the PMU and the supervising engineer during or later than provisional reception will be fixed by the contractor. Upon satisfaction of the PMU, ANE and the supervising engineer, each road will be first handed over to PROPEIXE (by contractors) and on a second level, to district road authority (by the project) that will be responsible for future routine and periodic road maintenance and management. An Operations and Maintenance (O&M) Commitment Letter will be required the district road authority.
229. **Impact assessment.** It is expected that investments put into the rehabilitation of targeted roads will have a positive impact on the lives and environment of beneficiaries. As a high-cost investment activity of the Project, it will be useful to gather and catch most aspects linked to the rehabilitation of these roads. Socio-economic information resulting from the involvement of communities (as unskilled labour or selling of aggregates) will be collected for the sake of further impact analysis of these activities.
230. **Activity 2: Feeder Roads Maintenance**
231. Maintenance of roads is crucial to the sustainability of investments and impacts on the ground. The project will sensitize the local authorities to establish sustainable financing mechanisms that can finance the road maintenance after the project completion and to create awareness on ownership among the users of the roads. A financing mechanism can foresee the establishment of a local maintenance fund mobilizing adequate contributions from: (i) markets' management bodies benefitting from the enhanced road connection, (ii) road users (including fishers, traders, and other users), and (iii) municipalities (eventually observing increased incomes from markets as a consequence of roads rehabilitation).
232. In the initial three/four years after rehabilitation, PROPEIXE will finance maintenance of rural roads until a sustainable financing mechanism developed is linked to MPW. This maintenance work will be carried out by local communities through Road Maintenance Committees (RMC) on a cash-for-work basis.
233. One RMC will be formed, trained, and equipped on each road, prior to rehabilitation works. Around 96 RMCs will be formed and strengthened by the project (this is based on the assumption that an RMC will be responsible for one single road with an average length of 5 km).

234. The RMC will serve as an indispensable interface to the sustainable development of roads. Their early formation and involvement during rehabilitation will support the routine maintenance activities for which they are responsible. RMC members will be selected by community leaders and would be employed on a cash-for-work basis. Each RMC will be strengthened in terms of theoretical and practical training relevant to road routine maintenance, and will be equipped with a maintenance hand tools kit which would include: wheelbarrows, Cutlasses, Shovels, Rakes, Diggers, Slashing irons, Axes with handles, Sharpening files, manual compactors, PPE, reflectorized jackets, heavy-duty hand gloves, raincoats and boots, First aid kits, etc.
235. PROPEIXE will support both routine and periodic road maintenance:
236. Routine maintenance. Applicable to small and seasonal recurrent defects on the road. It should be carried out annually on a repeated cycle (two to three maintenance cycles/year) and most suitable for execution through labour-based mechanism implemented by RMCs or individuals. Routine maintenance includes: i) Bush clearing on road shoulders, in side drains/ditches and in tail-water and approach channels of culverts and bridges; ii) De-silting of side drains/ditches, culverts and approach and tail-water channels; iii) and Repair of minor scour in road shoulders, side ditches and at culverts.
237. **Periodic maintenance.** Applicable to major and destructive defects on the road. To be carried out at least 3 years after rehabilitation, if needed. It is most suitable for execution through equipment-based mechanism implemented by medium to large scale contractors competitively recruited. Periodic maintenance operations may entail the following in addition to routine maintenance requirements: (i) Re-grading of scoured carriageway sections; (ii) Re-shaping of scoured side ditches; (iii) Re-gravelling of damaged carriageway; (iv) and Repair of structural defects on culverts and bridges.
238. Once the project is completed, it is expected that the RMCs will continue their role in routine maintenance under the guidance of the district road authorities in close consultation with the Road Fund.
239. **Activity 3: Rehabilitation/Upgrade of Market Structures**
240. Under the previous IFAD-supported projects and other similar initiatives some 20 first sale fish markets have been established in the project area. Therefore, instead of assisting the construction of new facilities, PROPEIXE will focus attention on the existing ones, prioritizing those working well and needing some improvements. The project will invest in the rehabilitation/upgrade and operationalization of around 12 first sale fish handling and market facilities. This is a crucial undertaking to enhance the selected fish markets' functionality, safety, and efficiency.
241. Before deciding to move ahead with the proposed intervention to renovate and upgrade these markets, a collaborative assessment involving all market users, potential investors and the public sector will be conducted to determine the current physical state of the market infrastructure, its value chain and socio-economic role, as well as operational viability. This exercise will lead to a decision of which markets will be considered for renovation and upgrade.
242. Activities will start in the second year of the project and will be achieved by the fifth/sixth year. The rehabilitation process of the fish markets will observe the following steps: identification/prioritization and design as part of development of an engagement process

that includes public and private sector stakeholders (including local users); procurement, rehabilitation works and supervision.

243. **Identification and Prioritization.** Preliminary identification will exclusively be through a consultation and sensitisation processes that the project will undertake with districts' authorities at a very early stage following the project. Interested districts should submit a formal application requesting fish market shed rehabilitation. In case the number of applications is exceeding the target of 12 fish market structures, priority will be given to those markets: (i) characterized by relatively higher fish production flow; (ii) with higher number of potential beneficiaries, and (iii) private sector players potentially interested in the facility management.
244. Construction needs identified through the inclusive consultation process that involves local government, potential private investors and users, will be submitted for development to a consulting firm hired on a competitive basis to conduct the design (or update existing designs) and prepare tender documents.
245. Design and establishment of rehabilitation interventions' packages. Each market design will be undertaken by a competitively recruited consulting firm demonstrating adequate experience in conducting similar designs and appropriate staffing inclusive of Architects and Civil/Infrastructure Engineers. The designer will engage with the stakeholders to understand their needs and concerns, while the design process should take into consideration the site-specific conditions, the market area and capacity, in addition to the specific requirements in terms of number of stalls, number of storage areas, etc.
246. When needed, the fish market structures will be provided with a borehole water supply. The boreholes/tube wells would be equipped with solar pumping systems including submersible pump, solar panels, control panels, overhead storage tank, and piped distribution within the facility. The design of fish market sheds will also consider privacy and sanitary needs for women in addition to integrating accessibility needs for persons with disabilities (ramps to access market sheds, ramps to access toilets).
247. The design should entail a thorough assessment of the existing fish market facilities. This assessment should, at least, cover the following aspects: (i) Structural Integrity: Examine the overall structural integrity of the market, including the roofing, walls, floors, and drainage systems; (ii) Utilities: Evaluate the functionality of utilities such as water supply, electricity, lighting, and waste management systems; (iii) Safety Measures: Assess fire safety measures, emergency exits, and security systems to ensure compliance with regulations; (iv) Market Layout: Analyse the current layout and traffic flow within the market to identify potential bottlenecks and areas for improvement; and (v) Hygiene Standards: Evaluate the cleanliness and hygiene practices in place, including waste disposal, cleaning protocols, and pest control
248. The design process will be concluded by the development of drawings, Bill of quantities (BoQs) and preparation of bidding documents. Design packages will be subject to approval by the PMU Rural Infrastructure Engineer prior to implementation.
249. Consultancy services will be hired to help design and implement management models for use in the markets that that would have upgraded. The consultants will also help to clearly delineate the institutional development work that needs to be put in place to deliver a mechanism for constructive dialogue on public and private sector roles and responsibilities vis-a-vis the ownership model, initial investment, operations management and maintenance and the nature of the value-addition services delivered.
250. **Procurement.** Procurement process will be launched based on the bidding documents prepared at design stage. The potential contractor should demonstrate having adequate



experience and capacity to implement such kind of works. The possibility of partial subcontracting of works should be foreseen to facilitate the implementation of auxiliary works, e.g. the borehole water supply systems.

251. **Rehabilitation Works and Supervision.** Rehabilitation works will be carried out by the selected contractors (and eventual subcontractors) in line with the design technical specifications and BoQs. The contractor will be in charge of elaborating O&M manuals and delivering O&M trainings to the respective stakeholders. After the defect's liability period, the infrastructures will officially be handed over to the respective local authorities or the private entity managing the fish market.
252. Based on the initial assessment conducted at design stage, rehabilitation works will address the identified shortcomings and will aim to improve fish market structures in the following potential areas:
  - Infrastructure;
  - Market Layout and Functionality;
  - Hygiene and Safety;
  - Cleaning and Waste Management;
  - Pest Control;
  - Food Safety.
253. Works supervision will be ensured by the designer (the consulting firm/supervising engineer) that will carry out day-to-day site supervision visits, provide timely guidance and recommendations to address technical issues or work deficiencies, and will submit a comprehensive monthly report on the work progress. In particular, the supervising engineer will establish a monitoring and evaluation framework to track the progress of the rehabilitation project. Regular site visits, inspections, and progress reports will help identify any issues and make necessary adjustments.
254. Defects liability period and hand-over. At the completion of the rehabilitation works, each fish market structure will be put under a liability period of at least six months, after which, it will be handed over to PROPEIXE (by contractors) and on a second level, to the respective local authorities and to the eventual private entity managing the fish market (by the project) that will be responsible for future management. The direct beneficiaries, traders of fish, will be paying a user fee to sustainably operate and maintain fish market facilities.
255. **Activity 4: Upgrading handling capacity and fish quality in 'reference' fish markets.** Some fish markets facilities located in strategic places along the coast and in inland areas play a crucial role in in distribution of fish products originating from production zones to markets further inland. As part of the fish market information systems being established to allow for increased market transparency, collection on data on fish prices and other important markets attributes will be carry out in these markets.
256. Developing and upgrading these structures will enhance their capacity to handle higher volumes of fish, while allowing to keep the quality need to supply safe and nutritional

- rich food products to the consumers. The project will support rehabilitating and expanding the capacity to handle more fish in around at least 4 reference markets<sup>13</sup>.
257. The implementation will follow the process described in Activity 3, allowing for the potential development of PPP or 4P arrangements that give fishers/producers a direct stake in the actual operation of part of the facilities, but being located in municipal areas, the local municipalities play a direct role in managing the day-to-days affairs, including charging fees to market users.
258. Activities will start in the first year of the project and will progressively continue up to the sixth year.
259. **Site selection and Design.** Site selection will be demand driven and will be preceded by a feasibility assessment. In terms of selection, the following criteria will apply:
- i. **Location:** locations in places through which most fish products coming from production zones transit to large redistribution or consumers, working as authentic fish marketing hubs;
  - ii. **Accessibility:** accessibility to roads and transportation facilities for the distribution of processed fishery products should be assessed. Markets located along the main national road (EN1) will be given first priority;
  - iii. **Community engagement:** Representatives of fishermen and fish traders from fishing villages as well as fish market intermediaries operating in the reference markets will be involved in the selection process to ensure their needs and preferences are considered.
260. **Procurement and Installation Works.** Procurement process will be launched based on the tender documents prepared at design stage. The potential contractors, hired on a competitive basis should demonstrate having adequate experience and capacity to implement such kind of works. Works supervision will be ensured by the designer as per design guidelines and according to the contractor work chronogram which serves as a tool to assess the quantitative and qualitative progress of works. The contractor will be in charge of elaborating O&M manuals and delivering O&M trainings to the respective stakeholders.
261. **Defects liability period and hand-over.** At the completion of construction works, the consulting firm/supervisor in close consultation with the PMU Infrastructure Engineer will conduct a thorough inspection of the completed structures to verify that they meet the predetermined specifications and quality standards. Each processing structure and storage facility will be put under a liability period of at least six months after which, it will be handed over to the respective local authorities.
262. **Activity 5: Implementation of 'transit point' facilities in selected sites.** The objective is to enhance the efficiency and profitability of the fish value chain while ensuring fish maintain good quality throughout the distribution chain and reducing environmental impact.

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<sup>13</sup> Montepuez, in Cabo Delgado province, Belenenses in Nampula city, Mocuba in Zambezia and Praia Nova in Beira city are some very good examples of markets playing the above-mentioned role.

263. The project will support the implementation of a maximum of 10 'transit points' (2 per province) in selected strategic located sites, in between the production zones and the reference markets, or these and large consumer markets further inland. This joint effort will take place through 4Ps, under clear arrangements required to ensure the appropriate ownership, management and operations responsibilities, framework and benefits, thus ensuring economic viability as well as inclusivity in the use of these markets. Interested private sector players will invest in ice making plants and cold and dry storage facilities.
264. The process of identification and evaluation of the nature of the investment will follow the same public private sector dialogue and participatory approach as outlined for Activity 3 and 4, on market rehabilitation and operation. On-site activities will start in the third year of the project and will be achieved by the sixth year. The construction process will observe the following steps: identification and prioritization, feasibility assessment and technical specifications, procurement and installation works, supervision and handing-over.
265. The public investments will be limited to the civil works needed to renovate and upgrade the facilities. Through the establishment of specific MoUs/MoAs, EDM (in terms of power grid) and FUNAE (in terms of alternative energy solutions) will work closely with the PMU on the implementation of these infrastructures. Through PROPEIXE facilitation, the investments associated with procurement and installation of ice plants and cold and dry storage facilities will be made with funds provided by REFP and PROAZUL. PROPEIXE will also help the private investors in designing/specifications of ice plants/storage facilities as well other technical considerations, if needed.
266. The management of these facilities will be carried out by the private players under PPP arrangements the design of which will be facilitated by the consultants assisting with the preparation of PPPP guidelines working together with the consultant supporting implementation of appropriate management models (see ToRs in Annex III).
267. **Feasibility Assessment and Technical Specifications.** Site selection will be demand driven and will be preceded by feasibility assessment. Priority will be given to those sites: (i) which present buildings already available and require only to be equipped; (ii) which are not connected to the national power grid, and (iii) that are characterized by relatively higher fish production. Private consulting firms will be hired on a competitive basis to conduct the feasibility study and prepare tender documents including technical specifications for solar powered ice making plants.
268. Feasibility assessment will determine the viability and suitability of solar-powered ice making plants for the fish value chain. This assessment should include the following:
269. **Site Evaluation:** Identify potential sites for the ice making plants, considering factors such as adequate location, land requirements, and accessibility for transportation.
270. **Cost-Benefit Analysis:** Conduct a comprehensive cost-benefit analysis to evaluate the financial viability of installing the equipment, including initial investment, operational costs, maintenance requirements, and potential revenue generation.
271. **Stakeholder Engagement:** Engage with stakeholders, including fishermen, fish processors, traders, and local authorities, to gather input, address concerns, and ensure support as needed.
272. In case the site is not connected to the national grid, the project will assess the solar energy potential of the proposed sites through solar radiation studies and evaluate the energy requirements for ice production based on the fish processing capacity and

demand. Once the viability of the proposed investment is confirmed, the consulting firm should develop the necessary engineering plans while considering the following aspects:

273. **Solar Power System:** Design an efficient and reliable solar power system that can generate sufficient electricity to meet the ice production requirements. This includes determining the solar panel capacity, battery storage capacity, and backup power options;
274. **Ice Making Equipment:** Select appropriate ice making equipment that is compatible with solar power systems, taking into account factors such as ice production capacity, ice quality, energy efficiency, and ease of maintenance;
275. **Storage and Distribution:** Design suitable storage facilities for the produced ice, considering insulation, capacity, and ease of access;
276. **System Integration:** Ensure seamless integration of the solar power system, ice making equipment, and cold storage facilities.
277. **Procurement and Installation Works.** Procurement process will be launched based on the tender documents including technical specifications. The potential contractors, hired on a competitive basis or through EPC contract, should demonstrate having adequate experience and capacity to implement such kind of works. The possibility of joint venture or partial subcontracting of works should be foreseen to facilitate the implementation of different lots of work, e.g. installation of the solar power system, installation of cold equipment and ice making plants.
278. The successful installation and commissioning of solar-powered ice making plants require meticulous planning and coordination. With continuous support from FUNAE, the following implementation arrangements will be applied:
279. **Procurement:** A comprehensive procurement plan will be prepared for the necessary equipment, materials, and services required for installation, including solar panels, batteries, ice making machines, cold storage tanks/freezers, and related accessories.
280. **Construction and Installation:** The qualified contractors hired and installers experienced in solar power and refrigeration systems will be engaged to handle the construction and installation works with oversight of the PMU Infrastructure Engineer.
281. **Training and Capacity Building:** The contractor will be in charge of elaborating O&M manuals and delivering trainings to the respective stakeholders on the operation, maintenance, and troubleshooting of the solar-powered ice making plants. This will ensure proper utilization and longevity of the equipment.
282. After the defect's liability period, the infrastructures will officially be handed over to the local authorities which should outsource the management of these facilities to private players under PPP arrangements, as described in SC2.1.
283. **Monitoring and Evaluation:** A monitoring and evaluation framework will be implemented by the PMU to assess the performance of the solar-powered ice making plants. On the other hand, the private managers should monitor energy generation, ice production, storage capacity, and distribution efficiency regularly to identify any issues and make necessary improvements.
284. To ensure the long-term sustainability and success of the solar-powered ice making plants and provide on-going support, the project will support the private managers of the asset in implementing the following measures:

- 285. **Maintenance and Repair:** A maintenance schedule and procedures should be developed by the consulting firm to regularly inspect and service the solar power system, ice making equipment, and storage facilities. Partnerships with local technicians or service providers should be established to address any repair or maintenance needs promptly.
- 286. **Technical Support:** A mechanism to provide technical support and guidance to the fishermen, fish processors, and traders should be established. This can include a training material, and periodic visits by technical experts to troubleshoot any operational issues.
- 287. In terms of potential scaling up and replication, the project should document the successes, challenges, and lessons learned from the implementation of solar-powered ice making plants, while developing guidelines and best practice manuals to facilitate scaling up of similar initiatives under the project second phase to be developed in other fishery communities or regions.
- 288. Under SC2.2, support will be provided to the rehabilitation, completion and/or construction of buildings utilized to house IDEPA offices and extension workers, as described in C3.

### **2.3 COMPONENT 3: Institutional strengthening, project management and policy initiatives**

- 289. **Expected Outcome:** 1 is the improved public sector support for the long-term sustainable development of the artisanal fishery sector. It will have the following subcomponents: (3.1) Institutional strengthening and policy support, and (3.2) Project coordination and implementation support.

#### **SUB-COMPONENT 3.1. Institutional Strengthening and Policy Support**

- 290. The objective of this sub-component is to provide targeted capacity building and strengthen the institutions responsible for artisanal fisheries so that they can fulfil their roles in project implementation and increase their capacity to implement their role and project activities. The strategy for implementation of the project would involve working within government departments and agencies that support artisanal fisheries, using their staff and operation modalities, and as needed, providing additional support to facilitate specific project interventions. In those areas in which either the private sector, NGOs or other UN agencies have a comparative advantage, they would be contracted to provide support to the Government.
- 291. **Activity 1:** Institutional strengthening of IDEPA departments and delegations. IDEPA will be the PROPEIXE lead agency. In this capacity, it will be responsible for the overall supervision and implementation of the project activities. To successfully play this role, the project strengthening will include: (i) the contribution to restore the capacity of the re-established delegations with the rehabilitation of offices, equipment (furniture and IT), vehicles, motorbikes, working kits for the extension officers and training); (ii) at the head office, the project support will include technical support for the operational

departments with technical experts<sup>14</sup>, and staff and equipment to the PMU. Opportunities to use some technical specialists to cover interventions in both PRODAPE and PROPEIXE will be explored mainly in the areas such: Infrastructure, Knowledge Management, Climate and Adaptation, Social Inclusion (Gender, Youth and Nutrition), etc.; (iii) the project will support IDEPA capacity development through staff trainings, competitive selection for graduate, postgraduate scholarships and exchange visits. In addition, selected youth from the fishing communities will be supported to attend the Fisheries School in Maputo and other TVET centers in the different regions that provide trainings and courses in the area fisheries<sup>15</sup>. The qualified graduates will enhance the capacity of the extension services and support professionalization of the fisheries sector in the different stages of the value chain, including the eventual development of private extension services.

292. **Activity 2: Institutional strengthening of InOM.** The research interventions will be key for the project. InOM, will be mostly on the following activities: (i) the collection of biological data; (ii) conduct specific studies and (iii) biodiversity conservation and restoration interventions as detailed in component 1.
293. **Activity 3: Institutional strengthening of ADNAP.** Supporting ADNAP will include: (i) the scale up of the Open ArtFish statistical system, (ii) the electronic registration of artisanal fishers to bring them into the formal economic sector, and (iii) the strengthening of district capacity to promote co-management arrangements and CCPs.
294. **Activity 4: Institutional strengthening of INAMAR.** The project will support the strengthening of the capacity of enforcing the laws and regulations on the safety, protection and ordering of the maritime and the coastal zone spaces, fishing activities, protection of marine and coastal ecosystems, including marine conservation areas, sustainable exploitation, conservation, and preservation of aquatic ecosystems in general, and carrying out maritime search and rescue activities.
295. **Activity 5: Institutional strengthening of INIP.** The support will be on (i) the establishment of quality standards for the national artisanal fisheries value chain, among other activities, and (ii) support in the introduction of procedures for the traceability of fish originating from artisanal fishing that allow for certifying the quality of fishery products for export.
296. **Activity 6: Policy Support and Development.** The focus of this intervention will be to facilitate the development and/or review and update of policies and strategies of selected subsectors for their effective and structured development. Coordination and synergies with MIMAIP and with other key actors of the Blue Economy Working Group will be sought to ensure proper alignment and harmonization of the support to the Government. During the implementation period, PROPEIXE will support the following initiatives.
297. **Activity 7: Finalization of PESPA II.** The project will support IDEPA in finalizing the elaboration of the Strategic Plan for the Artisanal Fishing Subsector, covering the period 2024-2033, based on the work already developed in the institution.

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<sup>14</sup> Preliminary Artisanal Fishery Census Result (IDEPA).

<sup>15</sup> Data from the statistic institute INE (last available 2016) and IPC publication (2022);

298. **Activity 8: Census of Artisanal Fisheries 2027.** The project will support by co-financing the implementation of the next census covering the artisanal fishing in the PROPEIXE area.
299. **Activity 9: Organization of the fisheries co-management system.** PROPEIXE will support the preparation of a study on the organization and operation of the co-management system for artisanal fisheries, with special attention to the district and the role of the CCPs.
300. **Activity 10: Gender Policy in the Artisanal Fishery Sector and Action Plan.** To support the enabling environment of the sector the project will contribute to the development/strengthening of the gender policy in the artisanal fishery sector. The gender policy and action plan will consider supporting proper update and innovative policy elements in light of the institutional and sectoral changes that may have occurred in the sector and its implication from a gender and nutrition perspective. Furthermore, considering the strong nexus between gender and Nutrition the process will be accompanied by nutrition mainstreaming: the policy document will have dedicated sessions, as well as multi-stakeholder and multisectoral workshops for its dissemination, including events to promote inclusive policy dialogue on gender and nutrition in the artisanal fishery sector.
301. A consultant will be hired for the development of the policy and action plan and leading all consultative processes, including a workshop to present policy and action plan to key stakeholders. Also, an expert to support mainstreaming of nutrition will be hired to ensure the gender policy and action plan responds to key nutrition outcomes considering the nexus between gender and nutrition. This expert will work together with the lead Policy development senior consultant. Draft ToR for the Senior Gender Policy consultant have been developed, including key activities and expected deliverables. The assignment will take place in Y1.
302. **Activity 11: Other particularly relevant initiatives that may contribute to support the Sea, Inland Waters and Fisheries.** Policies, strategies, planning and legislative initiatives to further strengthen the capacity for the sustainable development of the resilient artisanal fisheries, in collaboration and partnership with other partners and donors, as well as relevant gender policies to address gender related issues, and update of existing policies incorporating climate change considerations in fisheries can also be considered.
303. Experience from previous projects has confirmed that the adoption of a system of performance-based incentives is an effective arrangement to facilitate project implementation. The system proposed to PROPEIXE will cover only the key government staff directly involved in the project implementation located in the provincial delegations, as well the extension agents distributed throughout the project area. The cost of this system of performance-based incentives is covered by the project's annual budget. According to the Statute of Civil Servants this allowance can reach a maximum of 30 per cent over the normal salary in cases of special conditions of work in demanding assignments. The experience and model used under PROPESCA and PRODAPE will be the basis for the definition of the PROPEIXE model, and taking into account that the majority of the beneficiaries at institutional level are the same from PRODAPE, in order to avoid any potential duplication, the PROPEIXE incentives will only be paid after PRODAPE's closure.

### **SUB-COMPONENT 3.2. Project coordination and implementation support.**

304. The objective of this subcomponent is to manage the project in an efficient and effective manner by providing overall coordination, including planning and implementation, financial management and control, procurement, M&E, knowledge management, and progress reporting. It will also ensure liaison and linkage with all other relevant projects and programmes that seek to address similar or related constraints; this would be aimed at taking advantage of existent synergies and avoiding duplications.
305. In order to facilitate PROPEIXE's effective management and coordination across the provinces, the project will use the existing capacity of the IDEPA, ADNAP, INAMAR, and InOM provincial delegations to reach out to district level and local beneficiaries. A Project Management Unit (PMU) will be established under the direct supervision and oversight of IDEPA's Director General, based in Maputo. The PMU will be responsible for the day-to-day management and supervision of the project, under the leadership of a Project Coordinator.
306. The PMU related costs will be shared between project resources and the Government of Mozambique (including in-kind). The costs include PMU staff salaries and health insurance, procurement of office equipment, office consumables, procurement, and maintenance of vehicles, etc. Apart from the technical specialists to be incorporated in the different IDEPA Departments and INFRAPESCA, the PMU will be composed by the following key positions: Project Coordinator; Financial Manager; Procurement Officer; M&E Officer/ KM Officer. The PMU will also include assistants and other support staff (administrative assistant and drivers).
307. A Project Steering Committee (PSC) will be established to provide the oversight function chaired by the Permanent Secretary of the Ministry of Sea, Inland Waters and Fisheries and composed of members from institutions with direct relevance for the achievement of PROPEIXE objectives within MIMAIP and other sectors (e.g. MEF, MOPHRH, MIREME, MTC, MTA, etc.) and representatives of the fishermen/women (CCPs), and the private sector (CTA). Provincial PSCs (PPSCs) will be established; they will be led by the Provincial Governor and their composition and tasks will mirror those of the PSC.
308. In addition to these institutions, the project has partnerships with institutions from other sectors of the state administration, which play an important role in the pursuit of the project's objectives: (i) ANE for the implementation of road rehabilitation activities that connect the centers of fishing to the remaining district network from which they connect with the destination markets for fishery products, and (ii) the EDM that implements the activities of extending the national public network to fishing centers and fishing communities, and (iii) the FUNAE that installs energy production systems in fishing infrastructures located in remote places. In addition, INAM will support the EWS and INGD the communities' preparedness and disaster management.
- At the central level, the coordination of the actions of these partners involved in the implementation of the project will be ensured by an intersectoral coordination body, and at local levels (provincial and district), a steering committee will monitor the implementation of the project activities.
309. **Component 4: Crisis and Disaster Risk Reduction:** The SECAP review note provides a comprehensive analysis of the country's vulnerability to climate change and extreme weather events highlighting Mozambique' high vulnerability to climate change and related extreme weather events such as droughts, floods, cyclones, heat waves, etc.



310. According to the predictions, climate change, natural disasters and extreme weather will continue to devastate livelihoods, food security and the well-being of rural populations including those dependent on fisheries during the next years. Mozambique is also considered a fragile country with insurgency in the north, which aggravates its overall vulnerability.
311. Although the country has put in place disaster prevention, preparedness and response mechanisms, the global index for risk management ranked Mozambique 10th in exposure to natural and human hazards, and very highly in lack of adaptive capacities.
312. Therefore, in case one of these events occur, a Crisis and Disaster Risk Reduction component was designed as a mechanism for the provision of immediate assistance to enhance the resilience of fisheries and fishing communities, while ensuring a gender-sensitive and sustainable response. As the impacts of the insurgency in Northern Mozambique are unpredictable and difficult to anticipate, the Crisis and Disaster Risk Reduction Component in PROPEIXE will exclusively support recovery in case of extreme weather events and natural disasters.
313. This component will enable the Government to address the urgent need to build resilience of fishing communities in the face climate related risks promptly, and effectively. The component will not finance humanitarian activities that fall under other stakeholder mandates.
314. It constitutes a programmatic window for the integration of response measures and corresponding allocation of budget from the project contingency (up to 60 per cent, around US\$1.8 million at this stage).
315. The triggers to activate this component will include:
- i) official declaration of a natural disaster or emergency by the relevant government authorities based on meteorological information;
  - ii) when assessments conducted by local authorities, NGOs, or community-based organizations identify significant damage or loss to fisheries assets and livelihoods; and
  - iii) when meteorological and hydrological warnings indicate the likelihood of extreme weather events (e.g Wind speeds exceeding 75 mph (120 km/h) or forecast of an approaching cyclone, rainfall of 150mm or more within 24 hours; and
  - iv) an official request from the Government is submitted to IFAD to activate the component.
316. A specific committee consisting of Project staff, GoM counterparts and beneficiary representatives – men and women - will be established to refine the proposal of the use of the component.
317. The budget (lumpsum) will finance a set of potential response activities, linked to the Artisanal Fisheries Value Chain in the PROPEIXE geographical area that include:
- i) acquisition and replacement of fishing gears in a state of disrepair affecting catch efficiency and safety and inputs (nets, boats, engines);
  - ii) rehabilitation and reinforcement of the resilience of fisheries production infrastructures (markets, transit centres, extension officers and CCPs infrastructures, fish conservation related equipment) indicating more than 50% damages; and
  - iii) development of early warning systems that provide communities with advance notice of impending disasters, allowing beneficiaries to take protective actions.

318. The component recognizes the importance of the gender dimension in the disasters and seeks to engage women in decision making about the allocation of the component resources and among its direct beneficiaries. The results of the component will be systematically monitored with gender-disaggregated data to monitor the impact of the response on different gender groups and lessons learned will be incorporated for future allocations to assure the maximum impact.
319. Additional resources for the Crisis and Disaster Risk Reduction component can be mobilized from IFAD core resources and other donors to timely support and finance eligible development and recovery activities), in line with IFAD's mandate and project scope. An Emergency Response Operations Manual/Annex16 will be prepared with targeting, management, financial management, procurement, safeguards, specific indicators, targets, baselines and any other necessary implementation arrangements, and will be incorporated in an updated project PIM. In addition, a specific exit strategy will be prepared since it is expected that the need for the disaster mitigation ceases when the project has brought sufficient resilience and response measures to the target groups. The baseline and targets of the indicators will be determined when the component is triggered. Furthermore, the Crisis and Disaster Risk Reduction component will be included in the financial monitoring and reporting.

#### **2.4 Environment and Social Safeguards Measures (ESS)**

320. The programme has been categorised as having substantial environmental, social, and climate impacts. Consequently, the subsequent evaluations have been initiated: Environment, Climate, and Social Management Plan; Grievance Redress Mechanism; Stakeholder Engagement Plan; Security Management Plan, FPIC implementation plan and Targeted Adaptation Assessment. All these documents are part of Annex 7. During the PROPEIXE design process, the ESCMP was developed and adaptation priorities were incorporated into the plan. During the early phases of programme implementation, additional assessments, including baseline GHG emissions using the FAO's Ex Ante carbon Tool, will be conducted. PROPEIXE shall adhere to IFAD's Social Environment and Climate Assessment Procedure (SECAP, 2021) requirements and standards regarding methodology, study/assessment preparation, and implementation.
321. **Plan for Environmental, Social, and Climate Management:** Environmental and climate specialists will be hired to administer the overall implementation of ESCMP, IFAD, and GoM environmental regulations. Consequently, project activities and all constructions will be evaluated for environmental and social impacts, and similar studies, such as Environment Social and Climate Management Plans (ESCMPs), will be developed by an independent consulting firm employing accessible methods such as public engagement, impact identification, etc. The ESCMP will be approved by the MTA.
322. **Compliance monitoring and auditing.** The MTA and environment and climate specialists will conduct periodic monitoring of compliance, and the findings and recommendations will be shared with all stakeholders via a workshop. In order to

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<sup>16</sup> Based on the new IFAD Fragility Approach Paper (under development)

accomplish this, a standardised reporting form will be created. The initiative will use a variety of technologies to establish an automated reporting procedure.

323. **Audit of the Environment and Social Safeguards.** External audit is primarily the responsibility of the authority that approves ESCMP without objection. Consequently, the programme will collaborate with IDEPA to ensure that periodic audits are conducted. If the government is unable to perform the audit, the programme management will conduct the audit and an independent organisation will validate the findings.
324. **Grievance Resolution Mechanism (GRM).** A GRM system will be established using the basic GRM devised during design. If an existing system is in place, a new GRM may not be necessary, and the project will strengthen the system to ensure that PROPEIXE-related complaints are handled fairly and expeditiously. The GRM system will be implemented at the level of the community. During the implementation of the programme, the GRM committee will be trained on how to resolve complaints, and communities will be instructed on where to direct any complaints. The GRM committees will be provided with a logbook to note all incoming complaints, ensuring fair and prompt resolution.
325. **ESS Capacity Development.** To fill capacity shortages identified through training needs assessment, all programme and government officials responsible for SECAP and ESCMP implementation would receive specialised training.
326. **Stakeholder participation.** During design, a stakeholder engagement plan was developed. Throughout the project lifecycle, the plan for stakeholder engagement outlines strategies and activities that facilitate effective and meaningful engagement with relevant stakeholders. The plan functions as a guide for involving project stakeholders, including individuals, groups, organisations, and communities who have an interest in or are affected by the project. The initiative can effectively engage stakeholders, gain their support, and maximise their contributions by implementing an engagement plan. This ensures the project is aligned with the requirements and expectations of stakeholders, resulting in more successful and sustainable outcomes.
327. **Guidance on restoration of ecosystems**
- a) Conduct a thorough Environmental Impact Assessment before initiating any restoration activities. This assessment should analyze potential impacts on the ecosystem, water quality, soil stability, and surrounding communities.
  - b) Engage with local communities, environmental experts, and relevant government agencies to gather insights and perspectives. This collaboration ensures that restoration plans align with local needs and ecological conditions.
  - c) Adhere to local, national, and international regulations related to ecosystem restoration, conservation, and biodiversity protection. Obtain all necessary permits and approvals before implementing any interventions.
  - d) Develop a flexible restoration plan that allows for adjustments based on real-time monitoring and feedback. Regularly assess the progress of restoration efforts and adapt strategies if unforeseen adverse effects arise.
  - e) Establish a monitoring program to track the recovery and health of restored ecosystems over the long term. This program should include indicators of biodiversity, water quality, soil stability, and ecosystem function.
321. **Avoiding Introduction of Invasive species**

- a) Conduct a comprehensive risk assessment to evaluate the potential of introduced species becoming invasive. Assess factors such as their reproductive capacity, ecological niche, and interactions with native species.
- b) Choose species for restoration that are native to the region and have a proven record of accomplishment of not becoming invasive. Collaborate with local experts and ecologists to ensure informed species selection.
- c) Implement strict quarantine measures for any species introduced to the ecosystem. This includes testing for diseases and pathogens that could be harmful to native species.
- d) Develop containment strategies that prevent introduced species from spreading beyond the intended restoration area. Physical barriers, monitoring, and removal protocols can help prevent invasions.

**322. Selecting Native Species for restoration**

- a) Leverage local ecological knowledge and engage with indigenous communities to identify and select appropriate native species for mangrove reforestation and seaweed planting.
- b) Ensure that selected native species are well-suited to the ecological conditions of the restoration site, including factors like soil type, salinity, water depth, and temperature.
- c) Prioritize native species that contribute to the restoration of diverse and resilient ecosystems. A mix of plant and animal species that naturally coexist can enhance ecological stability.
- d) Consider the genetic diversity of native species to promote long-term resilience against environmental stressors and climate change.
- e) Establish local nurseries or propagation programs to cultivate native species for restoration. This reduces the need for harvesting from wild populations

**2.4 Climate adaptation and mitigation**

323. PROPEIXE Climate action strategy. PROPEIXE climate action strategy aims to address the challenges posed by climate change on artisanal fisheries and promote their long-term sustainability. The strategy focuses on several key areas to mitigate climate impacts and build resilience within the artisanal fishing communities including:

- i. **Climate Change Assessment:** Conducting comprehensive assessments to understand the specific climate change risks and vulnerabilities faced by artisanal fisheries in the project area. This will involve analysing historical climate data, assessing future climate projections, and identifying the potential impacts on fish stocks, ecosystems, and livelihoods.
- ii. **Adaptation Measures:** Implementing adaptation measures to help artisanal fishing communities cope with the changing climate. This will include promoting climate-resilient fishing techniques, such as the use of sustainable gear and practices that reduce bycatch and protect vulnerable species. Additionally, supporting the development and adoption of climate-smart fishing practices that optimize resource use and minimize environmental impacts.
- iii. **Diversification of Livelihoods:** Encouraging diversification of livelihoods to reduce the reliance of artisanal fishing communities solely on fishing. This will involve providing training and support for alternative income-generating activities,

such as aquaculture, coastal tourism, or sustainable agriculture, which can provide additional sources of income and reduce vulnerability to climate-related risks.

- iv. **Strengthening Institutions and Governance:** Enhancing the capacity of local institutions and fisheries management bodies to effectively respond to climate change challenges. This includes promoting participatory decision-making processes, strengthening regulatory frameworks, and improving enforcement mechanisms to ensure sustainable fishing practices and the protection of marine ecosystems.
  - v. **Climate Information and Early Warning Systems:** Establishing climate information and early warning systems tailored to the needs of artisanal fishing communities. This will involve setting up weather monitoring stations, providing timely and accurate weather forecasts, and developing community-based systems for sharing climate information. Such systems will enable fishers to make informed decisions regarding fishing activities and improve their safety at sea.
  - vi. **Capacity Building and Awareness:** Conducting capacity-building programs and raising awareness among artisanal fishers about climate change impacts, adaptation strategies, and sustainable fishing practices. This will involve training workshops, educational campaigns, and knowledge-sharing platforms to empower fishers with the necessary skills and information to adapt to changing environmental conditions.
324. **Partnerships and Collaboration:** Promoting partnerships and collaboration between local communities, government agencies, non-governmental organizations, research institutions, and other stakeholders. Such collaborations will facilitate knowledge exchange, resource mobilization, and the implementation of integrated approaches to climate change adaptation and resilience building in artisanal fisheries.
325. The climate action strategy for PROPEIXE aims to address the challenges posed by climate change by promoting sustainable fishing practices, building resilience within fishing communities, and diversifying livelihoods to reduce vulnerability. By integrating climate change considerations into fisheries management and supporting adaptive measures, the project seeks to ensure the long-term viability and sustainability of artisanal fisheries in the face of a changing climate.
326. In order to recover and protect coastal and marine resources, the programme will promote environmentally friendly adaptive techniques and technologies in fish catching, processing (e.g. solar dryers' tents) and storage. In particular, the programme will support investments in stock assessments, selective fishing gears and methods to avoid catching non-targeted species and participatory management of natural resources to address destructive fishing practices and illegal mangrove cutting.
327. **Weather index insurance.** The Weather Index insurance within PROPEIXE focuses on utilizing weather insurance as a risk management tool to enhance the resilience of artisanal fishing communities. This strategy aims to provide financial protection to fishers against weather-related events that can negatively impact their livelihoods. The outline of proposed strategy includes:
- i. **Risk Assessment:** A thorough assessment of the weather-related risks faced by artisanal fishing communities will be conducted. This will include identifying key

climate variables, such as wind speed, wave height, rainfall patterns, or temperature anomalies, that significantly affect fishing operations and fish stocks. Historical weather data and evaluate the vulnerability of fishing communities to specific weather events will be analysed.

- ii. **Index Design:** A weather insurance index that quantifies the severity or occurrence of weather events relevant to artisanal fisheries will be developed. The index will be based on reliable and easily measurable weather parameters. For example, it could be linked to wind speed thresholds, rainfall amounts, or sea surface temperature anomalies. The insurance pay-out would be triggered when the index surpasses predetermined thresholds.
  - iii. **Insurance Product Development:** There will be a collaboration with insurance providers, experts, and local stakeholders to design and develop an insurance product tailored to the needs of artisanal fishers. The insurance coverage should provide compensation for losses incurred due to adverse weather conditions that impact fishing operations, catch yields, or damage to fishing equipment.
  - iv. **Premium and Subsidy Mechanisms:** An affordable premium structure for fishers based on their risk profile and income levels. Explore mechanisms to make the insurance affordable, such as government subsidies, donor support, or innovative financing models. Ensuring the accessibility and affordability of the insurance product is crucial to its successful implementation.
  - v. **Awareness Campaigns:** Conduct extensive awareness campaigns to educate fishers about the benefits of weather insurance and encourage their enrolment. Engage local fisher organizations, cooperatives, and community-based groups to facilitate the enrolment process and ensure broad participation. Provide clear and transparent information about the insurance coverage, claims procedures, and the rights and responsibilities of insured fishers.
  - vi. **Claims Processing and Payouts:** Establish efficient and transparent procedures for claims processing and payouts. Simplify the documentation requirements and streamline the claims verification process to ensure prompt and fair compensation for insured fishers in the event of weather-related losses. Consider leveraging mobile and digital technologies to facilitate the claims process.
  - vii. **Monitoring and Evaluation:** Regularly monitor and evaluate the effectiveness of the weather insurance index strategy in providing financial protection to fishers and enhancing their resilience. Assess the impact of insurance coverage on the adaptive capacity and risk management practices of fishing communities. Continuously refine the strategy based on feedback from insured fishers and insurance providers.
328. By implementing the Weather Insurance Index, PROPEIXE aims to reduce the financial vulnerability of artisanal fishers to weather-related risks and contribute to their long-term resilience. The strategy provides a mechanism for compensating fishers for weather-related losses, thereby helping to stabilize their incomes, protect their livelihoods, and ensure the sustainability of artisanal fisheries in the face of climate variability and change.

## **PART 3      INSTITUTIONAL ARRANGEMENTS**

329. This section is focused on the institutional arrangements for PROPEIXE at all levels, the institutions that will be involved in the PROPEIXE implementation process, from or outside the Sea, Inland Waters and Fisheries sector. More specifically, it deals with the roles, responsibilities and linkages between institutions involved in the implementation of the project.

### **3.1 Organizational framework**

330. The Ministry of Sea, Inland Waters and Fisheries (MIMAIP) is the organ of the Government responsible for the fisheries sector. As such, it will be responsible for policy and legislative initiatives, for promoting any institutional adjustments in the fisheries administration and for overseeing the project. Nevertheless, the coordination and management of the project will be delegated to the IDEPA which will assign to a PMU) the responsibilities of programming, budgeting, and allocation of resources, monitoring and providing information for the evaluation of the project. The central departments of IDEPA will need to ensure that the project implementation reflects the objectives defined by the Government for the sector. The implementation will be carried out in conjunction with the IDEPA's provincial delegations in the provinces where the activities take place. In addition, the MIMAIP will coordinate with other government agencies that participate in the implementation of the project.

### **3.2 Institutional arrangements and responsibilities**

331. Within the MIMAIP, the following key institutions will have responsibilities under PROPEIXE:

- i. The National Administration of Fisheries (ADNAP) and its provincial delegations, deal with fisheries monitoring and control of fisheries. This institution is responsible for the country's fisheries management system, including supervision of participatory management arrangements at the artisanal and commercial fisheries subsectors. Its intervention in the project is linked to the implementation of co-management arrangements through the CCPs, consisting of promoting and supporting the functioning of the CCPs so that they play a growing role in the management of the fisheries on which the subsistence of artisanal fishing communities depends, in the establishment of community conservation areas and community fisheries management plans and in supporting the district fisheries administration. ADNAP will also receive support for the implementation of the Open ArtFish statistical system in the 21 districts that make up the project area, which will allow the monitoring of local fisheries. The success of this participation in the implementation of project activities depends largely on the reinforcement and functional organization of the district fisheries administration, which is the responsibility of the government.
- ii. The National Institute of the Sea (INAMAR) is responsible for the organization of the maritime space, the safety of people and means involved in maritime activities, namely the promotion of rescue actions at sea and other aquatic spaces as a result of accidents or natural disasters, the monitoring of maritime activities and the

preservation and combat of pollution in the marine environment. Its intervention in the project is linked to the enforcement of laws and regulations applicable to artisanal fishing activities, activities linked to the preservation of the environment, with particular emphasis on the preservation of mangroves and coral reefs, areas of conservation of marine resources, harmful arts and illegal fishing activities and search and rescue actions at sea and in flooded areas as a result of natural disasters.

- iii. The Oceanographic Institute of Mozambique (InOM) is responsible for fishing resource assessments. The research interventions will be key for the project. InOM, will be mostly on the collection of biological data, mapping of fisheries areas and provision of information on the state of exploitation of the resources targeted by artisanal fishing, biodiversity conservation and restauration interventions, assessment of intra- and inter-trophic and abiotic interactions in coastal fisheries ecosystems and determining the ecological and socioeconomic value of coastal ecosystems (fish resources, seagrass, mangroves, corals, etc.). It will work in close coordination with IDEPA and AADNAP in relation to activities of relevance do component 1.
- iv. The National Institute for Fish Inspection (INIP) will provide technical support to project initiatives involving the improvement of the quality of fishing products for the national and export markets, including fish traceability processes that allow to achieve the quality standards required for the domestic market and for export markets. Its intervention will be aimed both at products from traditional artisanal fishing (linked to component 1) and those resulting from more commercial artisanal fishing in open sea (linked to component 2), along the entire value chain of these two forms of artisanal fishing.
- v. The ProAzul Fund will support the financing of the value chain actors through its financing mechanisms and grants. It will have an important role, attracting the private sector contribution to the project envisaged under component 2.
- vi. The Fisheries School will receive youth from the artisanal fishing communities for training in different fisheries curricula, and support the engagement of the trained youth in the different stages of the fisheries value chain, including in the public or private extension services.

332. In addition to the MIMAIP institutions, the project will also establish synergies and collaborate with other institutions at the central and provincial level, from other ministries with relevant mandates and attributions for the fulfillment of the project's objectives:

- i. The Ministry of Economy and Finance (MEF), on behalf of the Government of Mozambique, and the International Fund for Agricultural Development (IFAD) are responsible for ensuring the supervision of the accomplishment of the Financial Agreement during project implementation. The MEF is also responsible for financial oversight for all government projects and supervises the budget process and the allocation of financing from external sources.
- ii. The Ministry of Public Works, Housing and Hydric Resources (MOPHRH) is the government body that is responsible for the public works. Therefore, project investments in roads either rehabilitated or built with project funds will be coordinated by the Provincial Roads departments (DEPS) of the National Roads Authority (ANE), that will provide standard designs, contribute to establishing



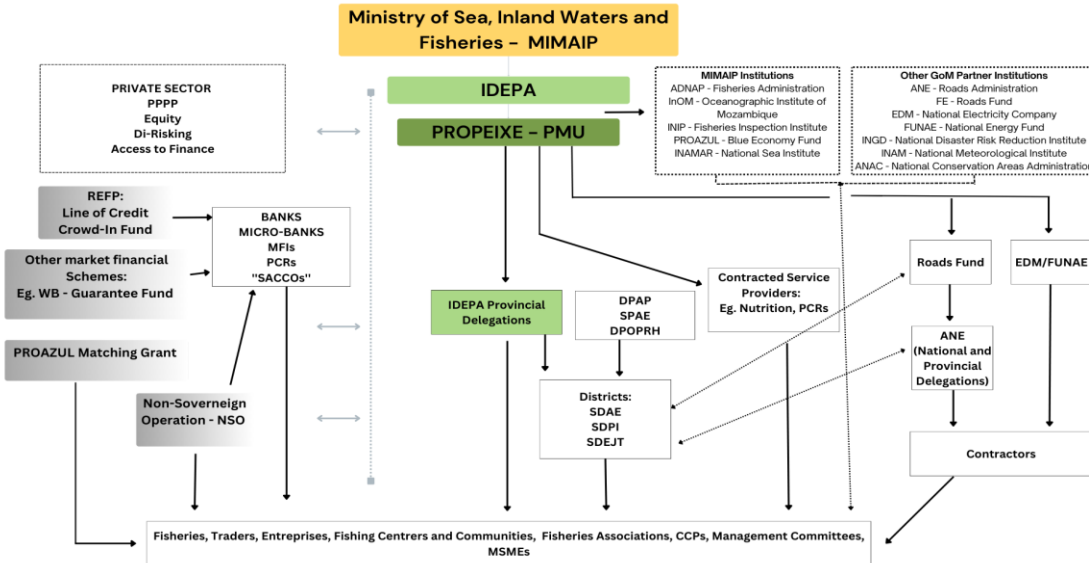
priorities and develop procedures and identify resources for the maintenance of roads included in the project. The Road Fund is responsible for channelling funds to the provinces for the project's road rehabilitation programme will be with the Road Fund, as well as the subsequent funding for the maintenance of the rehabilitated roads by the district administrations.

- iii. The Ministry of Mineral Resources and Energy (MIREME) is responsible for the energy subsector. The Electricity of Mozambique (EDM – *Electricidade de Moçambique*), the national agency responsible for provision of electricity from the national grid, in conjunction with the Energy National Fund (*FUNAE - Fundo de Energia*), will be responsible for supporting the implementation of the project's programme for provision of electricity to fishing centers, ice plants, markets and other installations in the fisheries value chain in the 21 districts that make up the project area. FUNAE would facilitate the piloting of electricity provision in more remote fishing centers that are not possible to be connected to the national grid. While EDM would have overall responsibility for coordinating the provision of electricity in response to the agreed plans for electrification of fishing centers. In most cases, the installation of lines would be done on a contracted basis, with EDM itself directly installing lines. Annex IV provides the draft for a Partnership Agreement between IDEPA and ANE/Road Fund, EDM and FUNAE.
  - iv. The Ministry of Transport and Communication (MTC) is the government body that oversees the National Institute of Meteorology (INAM). INAM is responsible for "providing meteorological information necessary to ensure the sustainable development of the national economy and to mitigate the negative impacts related to the climate, on human well-being and the natural environment". Their participation in the project is linked to preventive activities aimed at providing greater resilience of artisanal fishing communities in relation to the effects of extreme weather events. INAM will ensure the provision of climate information to artisanal fishers and value stakeholders, including technical and methodological guidance and training on the interpretation and use of climate information.
  - v. The National Institute for Disaster Risk Management (INGD), will be a key partner for the project interventions, particularly on the preparedness of the community for a better response to the extreme climate events. It will support the project to establish and train the Local Disaster Risk Management Committees in partnership with the CCPs.
333. The current framework of decentralized governance must be considered when analysing the insertion of project implementation in the provinces and districts.
334. At provincial level, the project will be implemented in line with the decentralization principles, ensuring effective collaboration with institutions of the State Representation Services Council (CREP) and the Provincial Executive Council (CEP), which are respectively the State Representation and Governance decentralized organs.
335. In this regard, the Provincial Services of Economic Activities (SPAEs) and the Provincial Directorates of Agriculture and Fishing (DPAPs) will play a role in the overall project oversight and implementation process. Considering specific thematic subjects, other provincial institutions will be involved, including: the Environment Provincial Services (SPAs) and the Provincial Directorates for Territorial Development and Environment (DPDTAs); the Infrastructure Provincial Services (SPIs) and Provincial Directorate of

Infrastructure (DPIs); the Provincial Directorates of Industry and Commerce (DPICs); the Health Provincial Services (SPSs) and the Provincial Directorates of Health (DPSs).

336. For the PROPEIXE scope, the main responsibilities of these institutions include, but not limited to: (i) SPAEs and DPAPs: support organization of the Provincial Steering Committee meetings engaging key institutions in project implementation at provincial level, chaired by the Governor of the Province; ensure effective engagement of the public extension services in project implementation; engage local community leaders in the overall process of mobilizing fishing communities and other stakeholders to participate in all activities related to infrastructure development interventions, including management, operation and maintenance; sharing of PROPEIXE implementation progress among CREP and CEP and support organization and facilitation of implementation support and supervision missions conducted by Government and IFAD; (ii) Provincial Delegations of MIMAIP's central institutions will provide technical and coordination capacity and participation in the process of implementation of the project activities, especially regarding promotion of technology demonstrations, training, technical support and assistance to extension officers and agents, as well as research/experimental activities; and (iii) the provincial representations of the partnerships established with EDM, FUNAE and ANE, which will be involved in activities that were subject of agreements between IDEPA and the respective central institutions, with which the provincial delegations of the central institutions of MIMAIP will coordinate the implementation of activities.
337. At district level, the District Administrator will supervise PROPEIXE implementation activities. The SDAEs in collaboration with IDEPA will lead the overall operationalization of project interventions engaging other relevant institutions. The list of institutions involved in the implementation of the project is as follows: (i) District Services of Economic Activities (SDAEs), will lead the overall implementation of project activities, including planning, monitoring & evaluation; mobilization of artisanal fishers in accordance with the project selection criteria; facilitation of improved technologies to project beneficiaries; capacity building of fishers organizations; engage SDPIs in all activities regarding infrastructure development; organization of supervision missions; mainstreaming of project selected crosscutting issues; performance assessment of technician staff involved in project implementation; organization of coordination meetings at district level; elaboration of project performance reports; ensure adequate management of resources allocated by the project in line with the procurement, financial management and accountability principles and rules established for the project; (ii) District Services of Planning and Infrastructures (SDPIs): responsible for providing technical assistance in all aspects regarding infrastructure development, including selection of locations for infrastructure, participation in the design of technical projects, supervision of civil works, follow-up the development of social and environmental studies in collaboration with SDAEs and/or other entity assigned such tasks; capacity building for programme beneficiaries on management, infrastructure operation and maintenance and monitoring of infrastructure performance, including data collection, systematization and information analysis; and (iii) District Services of Health, Woman and Social Action (SDSMAS): responsible for collaborating with the project in aspects related to nutrition and social safeguards, and identification of vulnerable people with potential to become project beneficiaries.

*Figure 3. Institutions arrangements scheme*



### 3.3 Project governance structures

338. The establishment of Project Steering and Coordination Committees at different levels of the implementation will ensure supervision of project activities and strategic guidance, with the aim of contributing to the accomplishment of project goals and objectives. In addition to a National Project Steering/Coordination Committee, a similar structure will be established at provincial level and a less formal one at district level.
339. The general, the responsibilities of these committees will be the following: (i) assess and provide strategic and policy guidance on the project activity plans; (ii) assess and provide strategic guidance on the progress and project performance; (iii) assess the project effectiveness and efficiency; (iv) assess and provide strategic guidance on the actions and measures aimed at improving project performance and impact; (v) assess the project lessons learnt, good practices and innovations; (vi) contribute with strategic actions aimed at ensuring sustainability of project interventions; and (vii) promotion of project involvement and ownership by different stakeholders across the implementation process.
340. The meetings of the project steering committees will be held every six months, being indicatively, (i) in February, in which the progress report of the previous year is analysed, and (ii) in August, in which the proposed Annual Work Plan and Budget for the following year will be analysed. The committees may meet extraordinarily whenever called upon. In these sessions, any other matter concerning the life of the project can also be analysed. The preparation of the meetings at national and provincial is the responsibility of IDEPA and its delegations and at district level of the SDAEs.
341. The National Project Steering Committee will be chaired by Her/His Excellence the Minister of Sea, Inland Waters and Fisheries or by whomever she/he may designate. The list of members of the National Steering Committee is as follows: (i) General Director of IDEPA, (ii) Coordinator of the PMU (Secretary), (iii) National Directors of

- MIMAIP, (iv) Heads of the MIMAIP's institutions involved in the implementation of the project, (v) representatives of the institutions with which IDEPA maintains partnership agreements, (vi) Directors of IDEPA, (vii) representative of the MEF, (viii) Directors of the DPAP, and (ix) three representatives from the artisanal fishing subsector (fisher, processor, trader, mechanic or carpenter) and one from the processing industry (private sector) with links with the artisanal fisheries; other invited members.
342. The Provincial Coordination Committee will be chaired by Her/His Excellency the Provincial Governor. The composition of this committee will mirror as much as possible the composition of the National Steering Committee. In this case, however, it is necessary to define the representation of the State in the province, in principle ensured by the provincial services with responsibilities in the domains present in PROPEIXE.
343. At the district level, the analysis of the evolution of the project will be carried out within the framework of the district government meetings, where an agenda point por PROPEIXE will be scheduled at least twice a year, under the chairmanship of the District Administrator. Apart from the District Government Directors, the following members are expected to participate: IDEPA Provincial Delegation; representatives of the CCPs; fishers associations and other professional associations linked with artisanal fishing; representatives of service providers present in the district, and representatives of the private sector with links with the artisanal fisheries.

### **3.4 Decentralization Framework**

344. The revision of the Constitution promoted and approved in 2018 (Law nº 1/2018, of 12 June), opened the possibility of creating decentralized governance bodies at provincial and district levels. The new legal framework, (i) abolishes provincial and district governments and, in their place, creates executive councils, which are decentralized bodies endowed with administrative, financial and patrimonial autonomy; (ii) maintains the figure of the Provincial Governor, who is the first candidate of the political force that won the election for the provincial assembly; (iii) creates the district assembly and the statute of the provincial assembly is revised, both being endowed with their own regulatory power, and (iv) creates the figure of representative of the central government in the province, designated by Secretary of State in the Province, who is responsible for ensuring exclusive functions, the sovereignty of the State and the supervision of the services of representation of the State in the province and in the districts.
345. **Secretary of State in the Province.** In addition to the general competence of representing the State and the Central Government in the province, the Secretary of State in the Province has the following competences with links to the Fisheries sector[1]: (i) implement in the province, actions and activities materializing the Mozambican State's foreign policy and international cooperation strategy, (ii) ensuring compliance with the decisions of the central bodies of the State, (iii) promoting the participation of communities in planning economic, social and cultural development, (iii) issue an opinion on the ordering of maritime, lake and river spaces, (iv) issue an opinion on requests for private use of the maritime, lake and river spaces, and (v) issue opinion on requests for the private use of maritime, lake and river spaces.
346. Among the provincial services dependent on the Provincial Secretary of State, the Provincial Service for Economic Activities (SPAÉ) is the one dealing with Fisheries

matters, ensuring the implementation of plans and programs approved and centrally defined. The other relevant duties related with the development of the artisanal fishing communities are the following: (i) within the scope of Food and Nutrition Security: participate in the preparation of food and nutrition security plans and programs, promote good food preparation and consumption practices to guarantee food and nutrition security, and disseminate information on food and nutrition security; (ii) Within the scope of Rural Development: ensuring intersectoral coordination for rural development, promoting community participation in local economic development processes, defining priorities in the implementation of economic and social infrastructure in rural areas, promoting the implementation of socioeconomic development centres in rural areas, train local economic actors in the sustainable exploitation of natural resources and in boosting the local economy; (iii) Within the scope of the Sea and Inland Waters: monitor security activities in the maritime, river and lake spaces, monitor the inspection of activities in the sector, promote the sustainable use of coastal ecosystems, monitor compliance with coastal zone management agreements, maritime, river and lake public domain, and (iv) Industrial and semi-industrial fishing and aquaculture: prepare proposals for programs for the development of fishing activities, promote the licensing and monitoring of fishing activities, promote development and extension programs, issue opinions on the constitution and management of marine conservation areas and their ecosystems, prepare proposals for programs for the development of aquaculture activities, promote the development and licensing of aquaculture activities, guarantee technical assistance and training for fish farmers, guarantee the application and monitoring of biosafety standards, encourage the involvement of individual and collective persons in the practice of aquaculture, processing and analyse and disseminate statistical information on the sector, ensure quality control of statistical information, participate in censuses and surveys, monitor activities of production, export, import of fishing and aquaculture products and services, updating the cadastre and investment projects and their implementation and producing cartographic maps on sector statistics.

347. In addition to the SPAE, other provincial services, have attributions related to the Fisheries sector which are often part of artisanal fisheries development projects: (i) Within the scope of Industry and Commerce: promoting public-private partnerships; (ii) In the scope of the Environment: to promote the integrated and sustainable management of the rural, urban and marine environment, and guarantee the implementation of centrally assumed climate change projects; (iii) in the scope of Social Affairs: monitor actions related to nutrition.
348. **Governor of the Province.** In terms of Fisheries, the legislation on decentralized governance attributes to the Governor of the Province the competence to license small-scale aquaculture on land, under the terms of the law. All other provisions on fishing and aquaculture activity are referred to as attributions of the province's decentralized governance bodies.
349. The competences attributed by law to the Provincial Government within the scope of decentralized governance exclude those that are attributed to local authorities and those that are the exclusive competence of the central bodies. In relation to those that are most linked to Fisheries: (i) agriculture, fisheries, livestock, forestry and food and nutrition security, (ii) land management, to the extent to be determined by law, (iii) management and protection of the environment, (iv) promotion of local investment, (v) water and sanitation, (vi) industry and commerce, (vii) roads and bridges, which

correspond to local, provincial and district interest. (viii) prevention and fight against natural disasters, (ix) promotion of local development, (x) territorial planning and organization, and (xi) rural and community development.

350. The **Provincial Directorate of Agriculture and Fisheries (DPAP)** is the provincial governance body with functions related to Fisheries: (i) Within the scope of Rural Development: to promote local economic development and the sustainable exploitation of resources; promote the sustainable exploitation of natural resources; define priorities and project the establishment of economic and social infrastructures; and promote the implementation of socio-economic development centres; (ii) Within the scope of Food Security: ensuring food and nutritional security; issue methodological guidelines to public entities, civil society organisations, religious institutions, the private sector and other partners working in the area of food and nutrition security; preparing reports on the assessment and monitoring of the food and nutritional security situation; ensure community involvement in the planning and implementation of food and nutritional security actions; systematize and disseminate information on food security in the province; and promote good food preparation and use practices to increase nutritional value; (iii) Within the scope of Artisanal Fishing: monitoring fishing activities, under the terms of the law; disseminate and promote good fishing practices; combat acts harmful to fishing; and participate in the design and implementation of fishing activity development programs; (iv) Within the scope of Aquaculture: design and implement aquaculture development programs under the terms of the law; participate in the licensing of small-scale aquaculture on land under the terms of the law; provide technical assistance, training and capacity building for aquaculture producers; promote promotion and extension programs; and participate in the design and implementation of aquaculture activity development programs; (v) Within the scope of Agricultural and Fisheries Statistics: process and disseminate statistical information on the sector at provincial level, observing the methodologies and procedures defined at central level; define the periodicity and the mechanism for inputting statistical information on data from the sector's activities in the province; ensure quality control of the statistical information produced; monitor the activities of production, export and import of products in the province; monitor the process of carrying out censuses and surveys; update the register of investment projects and monitor their implementation; and prepare cartographic maps on statistical data of the sector and make them available to the competent central body.
351. **Decentralized district governance.** The legislation that will govern district governance has not yet been approved and published. Transiently, it is incumbent upon the Minister who oversees the area of local administration of the State, after hearing the provincial governor, to designate the permanent district secretary, directors of district services, heads of administrative post, locality, and village.
352. In addition to the DPAP, other provincial directorates, have attributions related with the Fisheries sector, which are often part of artisanal fisheries development projects: (i) Within the scope of Public Works and Housing: promote the widespread use of alternative and resilient technology in housing construction in the province; manage the network of secondary roads and non-classified roads; (ii) In the field of Commerce: publicize and promote quality standards, certification of products, services and metrology; promote the establishment of supply markets and marketing infrastructure; (iii) Within the scope of Gender, Children and Social Action: carry out actions that guarantee gender equality and equity and women's empowerment; (iv) Within the scope

of Territorial Development and Environment: implement the environmental and ecological zoning plan; develop programs for reforestation, planting and conservation of trees (mangroves included); implement norms for the management, protection, conservation, inspection and monitoring of the use of natural resources; ensure the participation of local communities in the management of natural resources and ecosystems; implement programs to combat the degradation of mangroves and aquatic and coastal ecosystems; participate and coordinate in the elaboration of territorial planning instruments; elaborate the ecological zoning.

353. **Provincial delegations from central bodies.** The legislation on decentralized governance establishes that the provincial delegate is centrally subordinated (eg. IDEPA delegations), without prejudice to the duty of articulation and coordination with the Secretary of State and the Governor of the Province. This articulation and coordination are materialized through the programming and carrying out of joint activities and the periodic sharing of information.
354. As can be seen, the legislation on decentralized governance lists in detail the powers that fall to the two bodies that make up the governance system. It is noted, however, that there are areas that overlap and that have not defined a limit in relation to the respective competences. For this reason, despite the experience in applying the legislation in force having contributed to its clarification, it is advisable that, during the implementation of national development projects, the two decentralized governance bodies be consulted.

### **3.5 Partnerships**

355. The project will promote and establish partnerships with different MIMAIP, other Government institutions, NGOs and private sector. It is expected that all agreements are results and performance-based agreements. Annex IV has details on the draft template for the different agreements.

## **PART 4 PROJECT PROCEDURES**

### **4.1 Financial management**

356. Financial management capacity assessment was conducted during the design mission and included meetings with/visits to IDEPA at Maputo and Beira. The total cost of PROPEIXE is estimated at US\$63.4 million over a 7-year period, and will include funding from IFAD, Government of Mozambique, private sector, and beneficiaries. Co-financiers and parallel financiers may include GEF financing and NORAD. The Lead Programme Agency (LPA) of the project will be MIMAIP, and will be under the direct monitoring of IDEPA, an institution/department under MIMAIP. IDEPA has a history of successful implementation of IFAD projects, including the current one – PRODAPE. There have not been significant concerns with the financial management of IFAD supported projects managed by IDEPA, hence reliance on the institution for effective management of PROPEIXE.

357. Financial management arrangements will be mainstreamed within Government systems which provide adequate controls. A designated account (DA) will be opened at the Bank of Mozambique to receive IFAD funds. DAs will also be opened for other co-financiers' financing as required to ensure full traceability of financial transactions in line with government and donors' requirements. Payments and financial reporting for PROPEIXE will be made through the integrated State Financial Management Information System (e-SISTAFE). PROPEIXE will maintain a local currency account in e-SISTAFE under the Single Treasury Account (CUT) for the PMU. At the provincial level, the funds will be disbursed to the IDEPA Delegations Single Treasury Accounts for the project.
358. Some of the capacity constraints that will need to be addressed include full customisation of financial reports from e-SISTAFE to address the financial management requirements, establishment of a project steering committee to facilitate timely approval of AWPBs, opening of designated accounts and operational accounts for each financing facility, and recruitment of finance staff for the project. Recommendations for strengthening financial management of the project and proposed covenants are included below.
359. **Financial Management.** The Lead Programme Agency (LPA) of the project will be MIMAIP and will be under the direct monitoring of IDEPA. IDEPA is an institution/department under MIMAIP with a management structure comprising operations departments, and support departments which include Finance and Administration, IT and Human Resources and Procurement. IDEPA has provincial delegations which have finance staff who will be responsible for financial accounting aspects of the project at the sub-national level. Financial management arrangements will be mainstreamed within Government systems which provide adequate controls. These arrangements will be similar to those of the ongoing PRODAPE project will be adopted for PROPEIXE.
360. A designated account (DA) will be opened at the Bank of Mozambique to receive IFAD funds. DAs will also be opened for other co-financiers' financing as required to ensure full traceability of financial transactions in line with government and donors' requirements. Payments and financial reporting for PROPEIXE will be made through the integrated State Financial Management Information System (e-SISTAFE).
361. Financial management will be the responsibility of a dedicated finance team within the PMU. The PMU finance team will include a finance manager and at least two accountants to ensure segregation of roles and efficient coverage of the FM function. Staff will be required to have appropriate accounting qualifications and experience in implementing donor-funded projects. Finance staff of IDEPA provincial delegations receiving PROPEIXE resources will be trained by the PMU to ensure that financial reporting is provided from decentralized levels.
362. **Financial management organization and staffing.** The project will be implemented by IDEPA under which the current project (PRODAPE) is being managed. The staffing complement will mirror that of PRODAPE, comprising of a finance manager and three accountants. However, in order to gain from the experience of the current team in terms of understanding of IFAD FM requirements, a consolidated finance team for both projects



comprising of the finance manager and accountants for each project should be considered. The proposed structure should include a finance manager supported by four to six accountants, some of whom may have responsibilities across the projects (e.g., lower level tasks such as posting transactions and bank reconciliations). Each project will have a dedicated senior accountant to support project financial reporting, with the finance manager having the overall responsibility for both projects. Job descriptions of FM staff will be similar to those of the PRODAPE team and included in the PIM.

363. **Budgeting.** Budgets for IFAD projects in Mozambique cover one-year periods and are based on the priorities needed to achieve project objectives. The budgets are prepared based on IFAD guidelines and are in line with the project design document. Budgets are also subject to clearance by IFAD prior to implementation. The process of developing the AWPBs is participatory and is generally led by the project M&E officer and including the technical specialists, procurement officer, and finance staff. AWPB priorities are also based on the PDR and linked to specific geographical areas for each component. AWPBs are reviewed and approved by the PSC prior to submission to IFAD for no-objection.
364. **Internal Controls and Internal audit arrangements.** There are sufficient controls within the government financial systems in Mozambique to effectively manage external funding. Specific to project financing, there have not been incidences of government interference with project funds that would cast doubt on the ability of the project to successfully implement the project. There is sufficient segregation of duties between the initiating department, ordering process, and receiving procedures. There are clear finance policies at the LPA. Additionally, project-specific guidelines are outlined in the PIM.
365. Internal audit of the project will be conducted by the internal audit department of IDEPA. However, no audit has been conducted for the current project implemented by IDEPA, PRODAPE. This is attributed to limited resources with the internal audit department of IDEPA. The IA staff of the LPA possess requisite skills and experience (mainly CPAs/CAs). There have been persistent resource constraints in terms of number of staff in the department which has hindered performance of internal audit reviews of the IFAD project.
366. **Accounting Systems and Financial Reporting mechanisms.** The accounting system (e-SISTAFE) allows for proper recording of financial transactions. However, the system is not fully tailored for IFAD financial reporting requirements. The customisation process is ongoing for the current project (PRODAPE) and should be suitable for PROPEIXE as well. There are sufficient controls within e-SISTAFE to facilitate segregation of duties between the initiators, reviewers and approvers of financial transactions. Whereas financial reports of the current project are prepared on a timely basis, this is done by analysing data extracted from e-SISTAFE in Excel. Use of Excel for financial reporting poses a major risk to the accuracy and completeness of the financial transactions.
367. Fixed assets are recorded in the asset register whenever new ones are procured. There are also annual verifications as part of the annual audits. The accounting software (e-SISTAFE) has a fixed assets module which will be used in capturing the assets to be purchased through the project funds.

368. Counterpart contributions (in cash) will be recognised in the accounting software. However, contributions in kind, such as office space, labour by beneficiaries, will be separately recorded as provided for in the project PIM. In-kind contributions will be reported separately as notes to the financial statements.
369. Project financial statements will be prepared annually based on IPSAS cash basis reporting standards. Guidance will be provided on requirements of the IPSAS cash basis reporting standards during project start-up phase.
370. **External Audit.** The Administrative Court ('*Tribunal Administrativo*': TA) is the Supreme Audit Institution in Mozambique in charge of the audit of all public institutions and State entities at central, provincial and local levels. Whereas this assessment did not specifically cover the structures of the SAI, the institution has not audited IFAD projects in previous years. However, there is agreement to commence the review of IFAD projects in the country commencing with the financial year ending 31 December 2023.
371. The SAI audit in Mozambique covers all the national and sub-national government funds. External audits for IFAD supported projects in Mozambique are generally satisfactory. There has been an effort in the last year to provide feedback to the auditors, especially regarding compliance with IPSAS cash basis of accounting. Audits are conducted in line with the International Standards on Auditing.

Table 6. Implementation Readiness (actions needed to mitigate FM Risks)

	<b>Action</b>	<b>Responsible Party / Person</b>	<b>Target Date / Covenants</b>
<b>1</b>	<p><b>Establish the FM structure of the project, including recruitment of staff prior to requesting the first withdrawal.</b></p> <p>Final FM structure of the PMU to be refined and staff recruited prior to first withdrawal. Training of all finance staff at national and sub-national level to be conducted within the start-up phase of the project.</p>	Director General, IDEPA	Within six months of entry into force
<b>2</b>	<p><b>Establish the PSC prior to commencement of the project, or during the start-up phase.</b></p> <p>Set-up of the PSC should be completed (including selection of PSC members and drafting the relevant TORs) before commencement of the project.</p>	Director General, IDEPA	Within six months of entry into force (dated covenant)

Action	Responsible Party / Person	Target Date / Covenants
<p><b>3 Open designated and operational bank accounts for each project financier to facilitate traceability of funds.</b></p> <p>DA for each financier to the project and corresponding operational accounts in CUT will be opened prior to the first withdrawal.</p>	Director General, IDEPA	By entry into force date (disbursement condition)
<p><b>4 Develop tools for capturing counterpart contributions.</b></p> <p>Develop tools during the start-up phase to capture all counterpart contributions, including taxes, duties, salaries for counterpart staff at national and sub-national levels, in-kind contributions by government and beneficiaries.</p>	M&E Manager, PROPEIXE	Within six months of entry into force
<p><b>5 Customise the accounting software (e-SISTAFE) to facilitate compliance with IFAD financial management requirements.</b></p> <p>Complete the ongoing customisation process of e-SISTAFE to suit IFAD financial reporting requirements prior to the first withdrawal.</p>	Director General, IDEPA	By entry into force date (disbursement condition)
<p><b>6 Include the new project in the annual plan of the internal audit department.</b></p> <p><b>If the internal</b> audit department will be deemed to lack capacity to review the project, consideration should be made regarding recruitment of an internal auditor to supplement the efforts of the internal audit department of IDEPA, focusing mainly on the two IFAD financed projects under MIMAIP.</p>	Director General, IDEPA	Within the first year of entry into force
<p><b>7 Prepare project annual financial statements in line with IPSAS cash basis of accounting standards.</b></p> <p>Project to prepare financial statements in compliance with IPSAS cash basis standard.</p> <p>Engage the TA early for inclusion into their external audit plan from the first year of the project.</p>	Finance Manager, PROPEIXE	Within the first year of entry into force

372. **FM Supervision plan.** Based on the assessment during the project design, FM supervision during the life of the project should focus on the following:
- Capacity building of project finance staff. FMD staff/consultants should provide training to project FM staff remotely and during supervision missions covering major components of IFAD financial reporting. These should include interim financial reporting, compliance with IPSAS cash basis reporting standards, preparation and submission of withdrawal applications.
  - Review of financial performance at national and sub-national levels. Such reviews will include visits to provincial delegations and districts to identify bottlenecks to implementation from FM perspective. Emphasis should be made on recognition of counterpart contributions from project inception.
  - Engagement with internal and external auditors. Engage internal and external auditors to obtain additional assurance, especially in areas not covered during supervision missions.
  - Monitor usage of the accounting software during implementation, including assessment of reports generated. Further improvements that may be necessary to enhance financial reporting through the accounting software should be communicated to the CEDSIF team.

## 4.2 Procurement

373. The legal and regulatory framework contained in Decree No. 79/2022 of December 30 establishes the institutional framework required to support the procurement for goods, works and services. The procurement risk assessment for PROPEIXE shows that country procurement risk and project institutional risk are medium. The country's legislative and regulatory framework is adequate to address procurement processes under PROPEIXE.
374. The procurement of goods, works and services will be carried out in accordance with the national legal and regulatory framework with an addition that it should comply with IFAD requirements to be specified in the Financing Agreement and the Procurement Arrangements Letter. However, procurement under international competitive bidding will use IFAD procedures and IFAD standard bidding documents.
375. The use of the Article on Special Regime in the national procurement law provides a conducive procurement operational framework for IFAD-funded projects to reduce delays. However, the longtime taken to obtain visas for contracts at the Administrative Court before projects are allowed to execute contracts prolongs the procurement process.
376. The assessment of IDEPA's organizational procurement personnel and operational resources, indicates a need for improvement in the following areas to ensure that value for money and quality are enhanced: (i) integrating procurement in the annual work planning and budget formulation process; ii) contract administration and management; (iii) record keeping and information management of procurement processes; (iv)

procurement monitoring and reporting; and (v) additional training of the procurement cadre.

377. High value procurement actions will be carried out through the National Project Management Unit (NPMU). At the provincial level, procurement will be limited to small works and locally available service providers subject to close supervision by the NPMU.
378. The Project shall prepare and furnish to IFAD for its approval, a Procurement Plan covering the first 18 months of the project prior to initiating any procurement activities. It will be followed by successive 12-month plans synchronized with the AWPBs during implementation. PROPEIXE shall update the Procurement Plan annually or as needed throughout the duration of the project. All such updates of the procurement plan shall be subject to IFAD's no objection. Items procured outside the approved procurement plan and the related AWPB will be declared mis-procurement and the related expenditure will be ineligible for financing from the loan/grant proceeds.
379. In addition to prior review supervision, IFAD will undertake twice yearly supervision and implementation support missions to review project implementation status and provide technical support and quality assurance of the assessment. The supervision missions will (i) verify that the procurement and contracting procedures and processes followed for the projects were in accordance with the Financing Agreement and the Procurement Arrangements Letter; (ii) verify technical compliance, physical completion and price competitiveness of each contract in the selected representative sample; (iii) review and comment on contract administration and management issues as dealt with by the PMU; (iv) review capacity of the PMU in handling procurement; and (v) identify improvements in the procurement process in the light of any identified deficiencies.

### **4.3 Monitoring and evaluation system**

380. **Key elements of the M&E system.** PROPEIXE will develop a robust M&E system in compliance with IFAD and the Government of Mozambique requirements. The PROPEIXE M&E system will generate timely and accurate information to support decision-making and adaptive management. In particular, it will: (i) collect, process, analyse and update information on Project outputs, outcomes and impact; (ii) support the PMU and the Steering Committee in planning and making informed decisions on PROPEIXE strategies and actions; (iii) maintain and strengthen strategic partnerships with stakeholders; and (iv) create opportunities for learning and sharing results. The system will be guided by four main documents:
  - i. The Theory of change (ToC), which provides a comprehensive description and illustration of how and why the desired changes are expected to happen in the context of rural Mozambique
  - ii. The Logical Framework (LF), which offers an overview of the Project's goal, outcomes and outputs, and enables to track progress against expected results on a selection of key indicators
  - iii. The Results Framework (RF), which lays out all the indicators to be collected by the Project's M&E system, including those not presented in the LF.
  - iv. The AWPB, which sets management priorities for the financial year. It is a tool to control costs, review performance and assess the achievement of targets each year.

381. These four documents are closely linked to each other: The activities planned in the AWPBs should lead to the achievement of Project outputs listed in the LF and the RF. To ensure alignment between the LF and the yearly AWPBs, the PMU will set annual targets for output indicators in the LF, and these annual output targets will guide the development of the AWPB. The achievement of LF results will show whether the Project's ToC is correct. If for example the achievement of the expected outputs does not lead to the desired outcomes, then the ToC underlying the Project design may be mistaken.
382. Annual and semi-annual reporting will be focused on assessing the achievement of physical and financial AWPB targets each year. IFAD supervision reports will focus both on the execution of AWPBs and on the achievement of LF/RF outputs and outcomes. Based on LF results, the Mid-Term Review and the Completion report will also assess the correctness of the Theory of Change.
383. The system will be participatory and gender sensitive. It will include beneficiary feedback and grievance redress mechanisms. Data will be disaggregated by gender, by age, and – where possible – by Persons with Disability (PWD). Targets for outreach to PwDs have been included in the PROPEIXE LF and may be revised based on the findings of the baseline study which will provide more precise data on the prevalence of disability in the targeted communities. PROPEIXE will collect the views and opinions of the target group through regular focus groups carried out during field visits, as well as through quantitative and qualitative information coming from the COI surveys and from complementary studies. The Core Indicator measuring Empowerment will be collected at baseline, at mid-line and at completion, and will give an indication on whether the Project is succeeding in addressing the barriers faced by the target group, in particular by women and by youth.
384. **Reporting on activities and outputs.** Activities and output monitoring will concentrate on the financial and physical outputs of Project activities. Data on activities and outputs will be collected on a regular basis by different actors:
- i. directly by the PMU (for activities directly implemented by the PMU);
  - ii. by implementing partners (NGOs, fisheries extension officers, etc.);
  - iii. by CCPs (with data validation by fisheries extension officers); and
  - iv. possibly by other representatives of different groups of beneficiaries.
385. Digital data collection at landing sites through Open Data Kit (ODK) will be promoted, and PROPEIXE will support ADNAP in delivering the necessary training and equipment to data collectors. All contracts and MoUs signed by the PMU will include details on implementing partners' data collection responsibilities. Fisheries extension officers will collect data with tablets provided by the Project and upload it into the Open FishArt, the data collection and reporting system of Mozambique's fisheries sector, hosted at ADNAP. Once validated by Ministry staff at District level, data will be shared with the PROPEIXE M&E officer, who will insert it into the Project's own Management Information System (MIS).
386. **Outcome and impact monitoring assessment.** Outcome monitoring will assess the use of outputs and measure their benefits at beneficiary level. Impact assessment will strive to measure the long-term effects of PROPEIXE interventions on beneficiaries' livelihoods and on the environment. Data on outcomes and impact will be collected through a set of three surveys (baseline, mid- line, completion) conducted in the first,

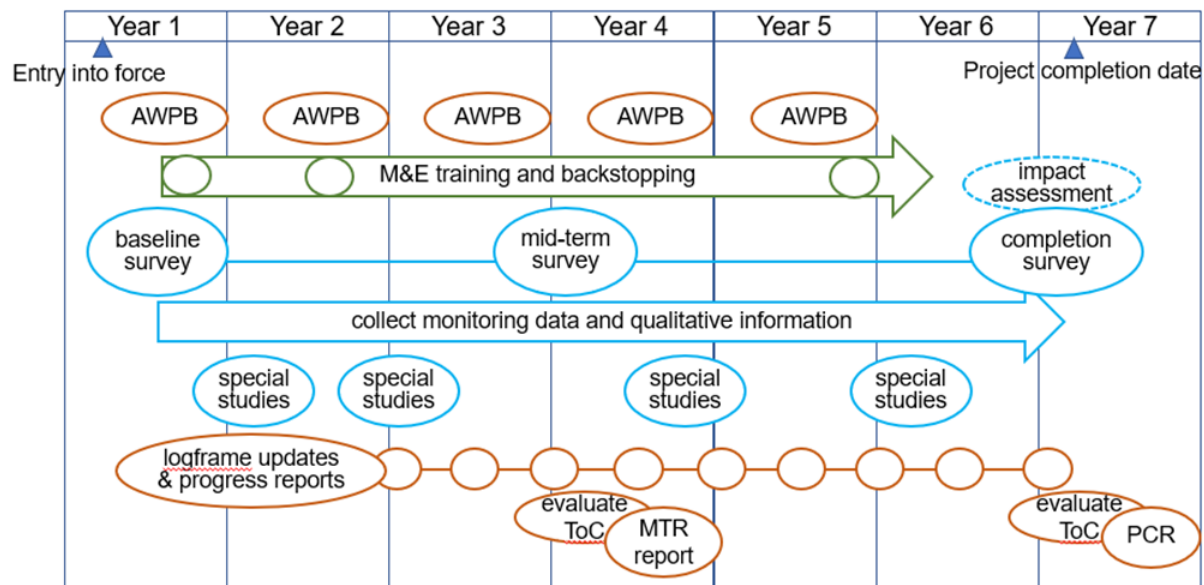
fourth, and last year of Project implementation, respectively. The baseline, mid-line and completion surveys will be conducted in alignment with the IFAD guidelines for the measurement of Core Indicators at Outcome level (the so-called COI guidelines). The guidelines will be provided by IFAD, which will also offer support in ensuring that the surveys are carried out respecting the quality standards set out in the guidelines. The COI surveys are relatively large surveys, with a sample of 750 beneficiary households and 750 control group households). The three surveys use a panel structure, meaning that where possible, the same sample should be used for the three surveys. The questionnaire for these surveys is partly already developed, since the questions related to the Core Indicators are standard IFAD questions that should not be modified. The baseline study will be procured before start-up and financed through FIPS. ToRs for the baseline survey are provided in appendix 6 of this report.

387. The baseline survey will provide a benchmark against which to measure future progress, as well as important information on target communities to refine the targeting strategy. The mid-line survey will precede the Mid-Term Review (MTR) - which will be carried out in year 4 of project implementation - and will provide key information on what is working and what is not. The end-line survey will precede the Project Completion mission and provide key data on results that will feed into the Project Completion Report (PCR). Qualitative studies will deepen the understanding of quantitative data and will be conducted jointly by the M&E and KM functions.
388. The PCR will be prepared in the six months between Project completion and Project closure. It would be important to note that the PCR process will be led by IFAD as per the 2023 guidelines for completion reports and the government will provide key inputs preparation of the PCR, covering the elements described in the general conditions of the Financing Agreement. The M&E data collected over the Project implementation period, and in particular the three outcome surveys, will be used to assess the changes in the livelihoods of the target groups, and for sharing of lessons learned and good practices. The Project completion process will include reflection workshops where stakeholders will have the opportunity to evaluate the performance of the Project, identify success factors and areas of further interventions and discuss the way forward for sustainability.
389. **Management Information System.** There will be two different Management Information Systems (MIS):
- i. PROPEIXE will develop its own MIS to facilitate the storage, analysis, and presentation of data. The MIS will be procured before start-up and financed through FIPS. ToRs for the development of the MIS are provided in appendix 7 of this report. This MIS will be closed at project end, but the data bases generated by the systems will be stored at IDEPA and ADNAP data storage systems
  - ii. The Open ArtFISH system hosted by ADNAP, which will continue after project end. PROPEIXE will support the transition to and the strengthening of Open ArtFish by training and equipping data collectors. PROPEIXE will also access data from Open ArtFish for its own M&E purposes.
390. By providing equipment and training to extension officers, the project will also support ADNAP with the ongoing registration of informal artisanal fishermen. Completing the digital registry of artisanal fishermen will facilitate data collection by providing each fisherman with a unique identification card and will enable following up on licensing of boat and fishing gear. The PROPEIXE MIS will include a registry of all Project beneficiaries with a unique identification number, which will be the same one as the one

in the identification card provided by the ADNAP registry. This will facilitate comparability and transfer of data between the Project's MIS and the ministry's databases.

391. Geo-referenced data will be systematically collected on all the indicators related to relevant locations and/or areas. This will allow the PMU to produce maps showing project interventions and results. Data collection will be done digitally through portable electronic devices so as to speed up data entry, cleaning, and reporting as well as making management decisions and disseminating the results rapidly at different levels. Standard reporting formats will be developed in digital format, ready to be downloaded on tablets.
392. **M&E responsibilities.** Data collection, verification and use will be a joint task by all Project stakeholders. The primary responsibility will lie with the M&E unit within the PMU, which will be staffed with a dedicated M&E officer and a KM officer.
393. **Key deliverables.** The key M&E actions and deliverables to be carried out throughout project implementation are presented in the table here below. These deliverables and timelines will need to be confirmed and further detailed during the preparation of PROPEIXE's M&E manual and plan (see section below on the key steps for setting up the Project's M&E system).

Figure 4. Steps for setting up the Project M&E System



394. Deliverables which will be the primary responsibility of the M&E Unit are the following:
  - i. AWPB preparation and monitoring
  - ii. COI survey reports (baseline, mid-line, end-line) – these reports will be outsourced to external partners, but the ultimate responsibility for their production lies with the M&E Unit who will oversee the work.
  - iii. LF with updated results



- iv. Semiannual and annual reports
395. Deliverables to which the M&E unit will provide its contribution include:
- i. Management reports
  - ii. Procurement plans
  - iii. Supervision reports
  - iv. MTR report
  - v. Project Completion Review
396. Throughout the Project lifetime, the M&E Officer will be able to access technical advice and backstopping services from IFAD. Support may be needed at certain times during the Project period, for example when a draft mid-term survey report must be reviewed. Provisions are made in the cost tables for on-demand support on M&E.
397. **Project indicators.** The Project will collect data on three main types of indicators:
- i. LF Core Indicators: these are standardized indicators that appear in all IFAD-supported Projects and can be aggregated across Projects. Core Indicators are integrated in the PROPEIXE LF and can be recognized by the fact that they are preceded by numbers (e.g. CI 1.2.8 Women reporting minimum dietary diversity (MDDW) These indicators can be at output and at outcome level.
  - ii. LF Project specific indicators: these are key indicators that appear in the LF and are specific to PROPEIXE and thus not aggregated at IFAD level across different Projects (e.g. Increased volume and value of fish traded from the artisanal fisheries). These indicators can be at output and at outcome level.
  - iii. Operational indicators: These are indicators that do not appear in the LF but which the Project will still collect and store in the MIS because they are useful for monitoring and managing the Project (e.g. Number of fisheries management plans completed). Operational indicators are presented in the RF.
398. **Logframe and indicator definition.** Here below is a list of all logframe indicators with their exact definitions, clearly explaining what the indicator means in the context of PROPEIXE, and what should be reported (and what not) under each indicator. Logframe indicators and targets can be slightly modified at start-up upon good justification and can be changed at MTR or following a project restructuring, partial cancellation, or the approval of additional finance. In all other moments, logframe indicators should only be updated with results, but not modified. The indicators at Goal and Development Objective level can never be changed once the Project is approved, because otherwise the Project would need to go back to the IFAD Executive Board for approval. The naming of Core Indicators is fixed, as these are standard indicators that are used across IFAD-supported projects in the world. Please do not modify the naming of the Core Indicators.

*Table 7. List of Indicators and respective definitions*

<i>Indicator</i>	<i>Definition in the context of PROPEIXE</i>
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1	Persons receiving services promoted or supported by the project	Refers to the number of new individuals who have received services or participated to activities promoted or supported by the project during the considered period (annual reporting). These are only the people who directly participate in project activities. For example, if the project conducts a training on fisheries, it counts the people who take part in the training. Each year, only new people are counted. If a woman takes part in the training, her husband and children are not counted for this indicator. In the case of the feeder roads built by PROPEIXE, the situation is different because the roads will be directly used by all household members of targeted households (for example, also by the husband and by the children of the woman taking part in the training). Therefore, in the case of feeder roads, all household members of targeted households living in the surrounding area will be counted for indicator 1. In this case, to be able to precisely report the mandatory disaggregation for CI 1, the number of men, women and youths in each household would have to be known. This information may not be available and collecting it can be cumbersome. Estimates could be used instead, based on available population statistics or data on household composition collected during the baseline survey.
1.a	Corresponding number of households reached	Relative to the previous indicator, refers to the number of new households in which at least one member received services or participated to activities promoted or supported by the project, during the considered period (annual reporting). PROPEIXE will target more than one person per household, therefore we consider that 90.000 persons receiving services promoted or supported by the project (indicator 1), correspond to 40.000 households.
1.b	Estimated corresponding total number of households members	Refers to an estimate of persons in the households supported by the project (as reported under the previous indicator), during the considered reporting period (annual reporting). It is calculated by taking indicator 1.a (number of households reached) and multiplying it by the average number of persons per household recorded in the country (in Mozambique, the current estimate is 4.3).
	Households reporting increased annual net income (fish producers, processors, input suppliers)	Under this indicator, households that report an increased income from the fisheries sector is reported on.
2.2.1	Beneficiaries with new jobs/employment opportunities	This counts the % of people who have set up a new activity as a result of the IGA trainings, as well as people hired by existing enterprises who have been supported by the project. The employees of targeted processing units who were already employed at project start are not counted – only new jobs are reported. Jobs created within producers' organizations that received project support are also included, but temporary jobs created for a limited period (e.g. for road construction) shall be excluded.
IE.2.1	Individuals demonstrating an improvement in empowerment	This counts the % of people targeted by PROPEIXE who experience an increase in empowerment. IFAD's empowerment indicator is an index that IFAD has developed building on the project-level Women's Empowerment in Agriculture Index (pro-WEAI) developed by IFPRI, OPHI and USAID. Similarly to the pro-WEAI, IE2.1 reflects a framework of empowerment in which empowerment is a process of change on the interrelated dimensions of resources, agency, and achievements. Specific questions to measure empowerment of women and men across the different dimensions are included in the COI questionnaire that will be provided by IFAD to the PROPEIXE M&E team.
1.2.8	Women reporting minimum dietary diversity (MDDW)	Women surveyed claiming that they are consuming a diversified diet, which means that they are consuming at least 5 out of 10 prescribed food groups. Only women are interviewed – not because we expect only women to improve the quality of their diets, but because generally women are those in the household that consume the least. So, if the women has a sufficiently diverse diet, we assume that her husband and children also eat at least 5 of 10 food groups. Women are therefore used as a proxy indicator to judge adequacy of micronutrient (e.g. vitamins, minerals) consumption of the household members. This is why the target for women is equal to the target for households, because each woman represents not herself, but her household. This indicator is calculated and reported on only for the households who are targeted by PROPEIXE's nutrition activities (cf indicator 1.1.8 below). Therefore, only households targeted with nutrition interventions will be interviewed for this indicator at baseline, midline, and endline.

SF.2.1 Households satisfied with project-supported services	Households reporting that they: (a) easily accessed or used the services provided by the public/private entities supported by the project, and (b) were satisfied with the quality of the services provided by the public/private entities supported by the project (for example by the fisheries extension officers, by service providers hired by the PROPEIXE PMU, etc.) The indicator aims at determining whether the main services delivered by the public/private entities supported by the project adequately meet target groups' productive/business/employment/livelihood needs.
SF.2.2 Households reporting they can influence decision-making of local authorities and project-supported service providers	Households that participate in project-supported groups/organizations reporting that: (a) they have influence over decisions taken in the project-supported group/organization in which they participate (e.g. in a dairy cooperative); and (b) the project-supported group/organization they participate in can influence decision-making of local authorities and project-supported service providers (e.g. the requests and feedback from the CCPs can influence project activities).
3.2.2 Households reporting adoption of environmentally sustainable and climate-resilient technologies and practices	Project beneficiaries who were trained in environmentally sustainable practices and/or the management of climate-related risks, and who claim that: (a) they have fully mastered these practices; and (b) they are now routinely using these technologies and practices.
1.2.4 Households reporting an increase in production	Fishers who claim that project-supported activities (e.g. training, input provision) have helped them increase the volume of fish catches as compared to the pre-project situation. Any level of increase is reported on (as opposed to decrease or same level of fish catches).
3.1.1 Groups supported to sustainably manage natural resources and climate-related risks	This counts the CCPs supported to strengthen their management. Note: (a) If the same group has received more than one type of support during the considered period, this group should be counted only once in order to avoid double-counting; (b) groups formed or supported in earlier years, but that have not received any additional support in the considered period, should not be counted for annual reporting.
Number of CCPs led by women.	This counts the number of CCPs that have at least one women in leadership position.
1.1.4 Number of persons trained in production practices and/or technologies	Under this indicator, the fishers participating in the demonstration activities and trained in new technologies and practices are counted. If the training lasts for longer than one year, participating fisher should be reported on only for the first year in which they started taking part in the training.
Increase in volume and value of fish traded from the artisanal fisheries	This counts only the volume and value of fish traded in the districts targeted by PROPEIXE
2.2.2 Supported rural enterprises reporting an increase in profit	Project-supported rural enterprises surveyed reporting an increase in profit over the considered period, as shown by sales, income and expenditure patterns. Profit is estimated by deducting all expenditures and recurrent costs from total income or sales.
Number of persons benefitting from rehabilitated feeder roads	The number of households that report better access to markets thanks to the 200 km of feeder roads rehabilitated has been calculated based on the World Bank rural accessibility index, which considers people living at a maximum distance of 2km from the rehabilitated feeder road.
2.1.2 Persons trained in income-generating activities or business management	This includes both the women and men supported in developing alternative livelihoods, and also the youths and IDPs from the Northern districts. It also includes people who already have an ongoing business (e.g. as fisher) and only receive the training on business management.
1.1.7 Persons in rural areas trained in financial literacy and/or use of financial products and services	In the context of PROPEIXE, this counts the people engaged in PCRs

Number of PCRs who received credit from a finance institution		This refers to the number of PCRs supported by the project who have been successfully referred by the project to a finance institution and who have received a loan as a consequence.
1.1.8 Households provided with targeted support to improve nutrition		It refers to the number of people that have directly participated in project-supported activities designed to help improve nutrition during the considered period. In PROPEIXE, this includes the members of PCRs targeted with nutrition training. People reached by media campaigns (e.g. radio, TV, Facebook, Instagram, etc.) and/or other open sessions where it is difficult to quantify the number of people reached should be excluded.
2.1.5 Roads constructed, rehabilitated or upgraded		Counts the km of feeder roads constructed or rehabilitated by the PROPEIXE during the reporting period (annual). Roads where construction/rehabilitation works have been started during the past 12 months but not yet completed should not be reported
Number of management agreements established and operating		This refers to the management agreements established under the 4Ps to manage the market, processing or storage facilities constructed or rehabilitated by the project.
2.1.6 Market, processing or storage facilities constructed or rehabilitated		Market facilities are the structures used to sell produce, such as market places and shading structures. Processing facilities include equipment and machinery that are used for the transformation of agricultural produce where value is added.
Number of Policy-relevant knowledge products completed and disseminated (Policy 1)		Refers to the formulation of policy reviews, policy notes and feasibility studies to inform policy making

**399. Results Framework.** Here below is a list of all indicators to be collected by the Project which are not listed in the LF. Remember that the LF is just a selection of key progress indicators, but the Project will need to collect a much larger range of indicators that are useful for project management as well as for evaluation. The RF is a flexible, living document. Indicators in this list can be added and removed as it seems best to the Project team.

Table 8. Results Framework

Subcomponent	Indicator	Baseline	MTR	Completion
1.1: Resilient artisanal fisheries and ecosystem management	Number of fishing trials and demonstrations on improved fishing methods and techniques carried out	0	20	40
	Number of mariculture trials carried out	0	6	12
	Number of meteorological stations built	0	1	2
	Number of persons accessing energy-efficient stoves	0	5.000	10.000

2.1: Sustainable entrepreneurship and livelihoods development	Number of people trained in GALS (disaggregated by men/women/youth)	0	3.000	6.000
	Women in leadership positions in PCRs	0	40%	60%
	Number of HH receiving inputs for back-yard gardens	0	1.500	3.000
	Number of youth trained in TVET	0	750	1.500
	Number of youth already in business who receive business development training and coaching	0	500	1.000
2.2: Value chain driven and climate resilient infrastructure development.	Number of road maintenance committees established	0	40	40
	Equipping fish markets with solar-powered cold equipment	0	3	5

#### 400. First steps **for** setting up the PROPEIXE M&E system:

- i. **Before start-up.** As soon as the FIPS becomes available, MIMAIP will be responsible for:
  - o Procuring a firm to carry out the baseline survey (ToRs are provided in annex III)
  - o Procuring a firm to develop the MIS for PROPEIXE (ToRs are provided in annex III)
- ii. **After start-up.** The PROPEIXE M&E unit, with the support of international TA, will undergo 4 key steps to set up a solid M&E system:

##### Step 1: Prepare de M&E Manual

On the basis of this section of the PIM, the M&E unit prepares an M&E manual which will define – indicator by indicator - when, where, how and who will be responsible for data collection. In particular, the M&E manual will provide further details on:

- The objectives of M&E
- Roles and responsibilities of different actors
- Data collection methods
- Data flow and how the data will be stored
- Frequency of reports

##### Step 2: Prepare an M&E plan:

- Based on the M&E manual, prepare an M&E plan that covers the whole lifetime of the Project, listing all M&E activities with timelines and budgets

#### Step 3: Prepare data collection tools

- Develop standard reporting formats for all Project activities and outputs
- Digitize the formats to allow data collection through phones and tablets
- Include requirements on data collection in the contracts of service providers and use it as a measure of performance. Ex. Training: disaggregated data by sex, age

#### Step 4: Validation and Training

- Share and validate the M&E manual, plan, and reporting formats with all relevant Project stakeholders
- Agree on key timelines for reporting
- Train all implementing partners with data collection responsibilities on standard reporting formats and the use of tablets
- Train all PMU staff and other relevant actors on the use of the MIS

### **4.4 Knowledge management and communication**

401. The KM officer will work in close collaboration with the M&E officer to ensure that M&E findings on project results are widely disseminated in a clear, synthesized, and interesting way and that knowledge products are backed up by solid M&E evidence. Field visits to collect stories by the KM officer will be also used for triangulating M&E data, and case studies will be used to deepen the understanding of factors contributing to successes and failures, and to enable full documentation of impact. KM activities will have the following objectives: (i) capitalizing on past and current experiences to support the project's successful implementation; (ii) supporting policy engagement; (iii) supporting research and disseminating lessons for promoting the scaling up of innovations.; (iv) raising awareness on environmental and gender-related themes.

- i. Capitalizing on experiences. PROPEIXE will first be a learning project, integrating lessons from PROPESCA and capitalizing on experiences from other African countries on equipping artisanal fishing boats and on promoting mariculture. Technical staff and extension officers will visit countries like Madagascar and Tanzania who are already engaged in promoting cultivation of mussels and seaweed.
- ii. Policy engagement. Knowledge Management (KM) and communications be closely linked to the policy engagement objectives and will disseminate lessons learned from PROPEIXE approaches, such as the fisheries co-management through CCPs and the impact of household methodologies. In addition, a newsletter will be set up to spread positive and negative lessons from PROPEIXE implementation experience, supported by reliable evidence and analysis.
- iii. Research and dissemination. The Project will collect its own lessons and disseminate these to relevant stakeholders through briefs, newsletters, and studies. In collaboration with InOM, PROPEIXE will carry out studies on successful approaches for community-led environmental conservation and the establishment of early warning systems; on productivity of coastal systems; and on how to best promote the participation of youth, women and PwD in the fish value chain. KM will also aim at translating the findings of research supported by the Project into accessible knowledge products to be disseminated amongst fishermen and extension officers.
- iv. Raising awareness. Through radio, TV campaigns, and events organised in primary and secondary schools, PROPEIXE will also promote a broader societal awareness of the importance of conserving marine natural resources. The Project will produce

audio and visual material to communicate and build knowledge of farmers on mariculture. Exchanges will be promoted between people new to mariculture in the north and people in the Maputo area who already have some experience. The Project will also organise fish fairs for fishermen to show and promote their products and gain exposure to new technologies.

402. **Communication.** Success stories will be publicized through short (3-5 minutes) videos shared through Instagram, Facebook, and other social media. These videos will be produced by locally-recruited youth. PROPEIXE's visibility will be enhanced through a website, as well as through social media accounts such as Twitter, Facebook, YouTube, and Instagram. To promote transparency and coordination, all relevant MIMAIP officers will be granted access rights to PROPEIXE MIS. Project results will also be accessible to the general public and be visible on the PROPEIXE website. The PMU M&E and KM unit will ensure that information on Project services and eligibility criteria reaches all farmers in a timely manner.
403. **Portfolio-wide KM.** KM activities will be conducted in synergy with those of other IFAD-supported projects in the country, with monthly coordination meetings between the KM officers. In **collaboration** with PRODAPE, the project will establish a digital library to store and promote accessibility of all project documents. In particular, cross-learning will be promoted between PROPEIXE and PRODAPE.
404. **Staffing and responsibilities.** KM will be a shared effort by all actors involved in the Project but will be the primary responsibility of the M&E unit, which will be staffed by an M&E and KM senior officer. The two staff will be involved in both M&E and KM, thereby ensuring that the KM and the M&E functions are conducted in synergy with each other. The expected results of such synergy are: (i) M&E findings on Project results are widely disseminated through KM products in a clear, synthesized, and interesting way; (ii) knowledge products are backed up by solid M&E evidence (and therefore, the M&E system collects all data necessary for the envisaged knowledge products to be developed); (iii) field visits to collect stories for KM products are also used for triangulating M&E data, and the way around; (iv) case studies, stakeholder interviews and surveys, will be used to deepen the understanding of factors contributing to successes and failures, and to enable full documentation of impact.
405. **Knowledge Management plan.** The programme's KM activities will be guided by a robust KM strategy and plan. Lessons learnt in implementation will be actively shared between countries, regions, districts and clusters. Semi-annual review meetings with national and provincial staff and implementing partners will be organised by PMU to discuss progress towards results in relation to each semi-annual **progress** report, the format of which will explicitly include a focus on lessons learnt in terms of challenges, good practices, etc.
406. A draft KM plan has been provided as appendix 8. After start-up, the KM plan will be completed and refined with support from IFAD. The KM strategy and plan will be validated by Project **stakeholders** through a national workshop. The workshop will be an opportunity to refine the thematic focus and dissemination strategy of policy relevant

studies, but also to better understand the key information needs for PROPEIXE to be successful.



**PART 5      ANNEXES: (separate documents)**

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**ANNEX II: COI BASELINE SURVEY**

**ANNEX III: TORS OF PMU STAFF AND KEY EXPERTS**

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## **ANNEX 1 TO THE PROJECT IMPLEMENTATION MANUAL: PROCUREMENT**

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## **Introduction**

This section of the PIM defines the operational basis for undertaking the procurement activities. The volume of the Consultancy contracts for is predominant at 51.3%, followed by Goods (49.3%). The procurement of Works is estimated at (0.4%).

## **The Procurement Activities under the Projects' Components**

The project has three components, all of which include procurement activities and will be implemented through the PMU with the support of the Provincial Delegations of IDEPA.

- Component 1: Resilient artisanal fisheries and ecosystem management
- Component 2: Inclusive fisheries climate resilient value chain development and livelihood diversification
- Component 3: Institutional strengthening, project management and policy initiatives

The total project financing is US\$58.0 million, with the main financiers IFAD loan/grant (USD 29.3 million), GEF (10.0 million), the Mozambican private sector (9.5 million), Government of Norway (3.0 million), Government of Mozambique (4.0 million) and Project Beneficiaries (USD 2.2 million).

### **1 Applicable Procurement Rules**

Procurement under PROPEIXE shall be carried out according to the legal and regulatory framework contained in Decree N°. 79/2022 of December 30, as may be amended from time to time. The new law replaced Decree N°. 5/2016 of March 8 and addresses some of the weaknesses identified in the MAPS report of 2020 such as fractioning of contracts, lack of regulations on e-procurement and

sustainable procurement, restrictive conditions for participation of foreign bidders in tender opportunities and lack of master bidding documents.

Measures have been taken in the new Decree to strengthen the institutional framework in Mozambique required to support the procurement for goods, works and services, including consulting services procured by all public enterprises financed from state funds. The Decree further promotes the principles of competition, economy, efficiency and transparency through requirement for publicising bidding opportunities and mandating SBDs for national bidding with defined procurement processes and standard conditions of contract. The new Decree facilitates equal access through improved rules of participation with the elimination of the requirement for foreign bidders to have a proxy or representative domiciled in the country. The Public Procurement Authority (*Unidade Funcional de Supervisão de Aquisições* - UFSA) has been conferred the power to propose the use of information and communication technologies/e-procurement, promote sustainable procurement by triggering mechanisms for its implementation, and to debar vendors and to maintain an updated list of vendors under sanction from contracting with the State. The new decree has prohibited the fractioning of contracts that was allowed in Decree N° 5/2016. The Decree does not provide for the use of framework contracts. The use of Quality and Cost Based Selection method for consulting services is not clearly provided. The minimum number of days for the use of some procurement methods such as NCB, restricted tendering, are shorter than the international timelines.

It is recommended to apply Decree N° 79/2022 in PROPEIXE procurement to the extent that it is not in conflict with the principles and standards contained in IFAD Procurement Guidelines and the operational procedures elaborated in the IFAD Procurement Handbook, the Financing Agreement and the Procurements Arrangements Letter.

Although the Decree N° 79/2022 provide for the use of Standard Bidding Documents (SBD's) in procurement by public authorities and institutions governed

by the public procurement law, the SBD's were not finalized by the time of project design. To address the gap, the project will use the full package of IFAD standard bidding documents.

## **2 Procurement Methods, Thresholds and Prior Review**

The Procurement Arrangements Letter will specify the financial thresholds for the use of procurement methods and the prior review thresholds. The procurement plan developed in line with the AWPB will reflect the range of contract threshold values applicable. This shall apply to ICB as well as to other less competitive methods of procurement described in the procurement plan.

### **2.1 Procurement Plans (PP)**

IFAD's Project Procurement Guidelines require the borrower/recipient, in consultation with IFAD, to prepare a procurement plan (PP) covering at least the first 18 months of the project, followed by successive 12-month plans synchronized with the annual work plan and budget (AWPB) during the project implementation period. The Borrower shall implement the approved PP and any updates and modifications subsequently approved by the IFAD.

The procurement plan should provide details of the following: a brief description of goods, works, or consultant services to be procured; the method of procurement; contract cost estimates; project threshold values; expected advertisement dates; IFAD review procedures; and other critical milestones.

### **2.2 Contract Register (CR) and Contract Monitoring Tool (CMT)**

PROPEIXE will be set up on the IFAD OPEN system and Contract Monitoring Tool (CMT) function of the IFAD Client Portal (ICP) from project start up, thus ensuring

effective supervision and prior review of procurement processes by IFAD, as well as adequate contract monitoring within PROPEIXE.

### 2.3 Tabular Summary of Applicable Methods and Thresholds

**Table 1. Thresholds for Procurement of Good, Works and Non-Consulting Services in US\$**

The determination of procurement selection method thresholds and of prior review thresholds will be used to develop the initial 18-month procurement plan, and as a guidance for the Procurement Arrangement Letter. The above thresholds are based on the PRM score, noting that the inherent risk is Moderate, below are the thresholds drawing on the PRM score:

<b>Expenditure Category</b>	<b>Contract Value Threshold (USD)</b>	<b>Procurement/Selection Method</b>	<b>Prior Review Thresholds</b>
<b>Works</b>	≥ 1,000,000	ICB ,Domestic preference allowed.	≥ 150,000
	< 1,000,000	NCB	
	≤ 250,000	Shopping	
	For values indicated in the PAL and in the PP with due justification	Direct Contracting	
<b>Goods</b>	≥ 200,000	ICB, Domestic preference allowed.	
	< 200,000	NCB	



	≤ 100,000	Shopping	≥ 70,000
	For values indicated in the PAL and in the PP with due justification	Direct Contracting	
<b>Consulting Services and non-consulting services</b>	≤ 70,000	CQS and ICS	≥ 60,000
	< 150,000	LCS and FBS	
	≥ 150,000	QCBS	
	≥ 150,000	Shortlisting	
	For values indicated in the PAL and in the PP with due justification	SSS	

**2.4 Special Procurement Arrangements**

In line with the General Conditions, procurement of goods, works and services for IFAD-financed projects shall be carried out according to the Borrower’s/ Recipient’s procurement regulations to the extent that they are consistent with these Guidelines. When applicable, each procurement plan should identify the procedures and methods that must be implemented by the Borrower/Recipient in order to ensure consistency with these Guidelines. IFAD will decide whether the Borrower’s/Recipient’s national procurement system can be used in its entirety, in part or not at all. This decision will be communicated to the Borrower/Recipient and reflected in the project design document.

## 2.5 Standard Procurement Documents (SPD) to be used

The borrower/recipient shall adopt and use the Standard Procurement Documents issued by IFAD until the ones issued by National Authorities are reviewed by IFAD.

In view of the assessment of the national legal framework, below are the proposed bidding period and bid validity period to be applied as per the relevant procurement method:

<i>Bidding periods</i>	National regulations  Statutory Instrument Decree 79/2022 of December 30.		IFAD Applicable rules  Module F1: Procurement Methods for Goods, Works and Non-consulting Services
NCB	Article 46	<i>21 to 120 days</i> in the case of procurement by the competitive bidding method where bids are solicited from national bidders (foreign bidders may participate). ICB is not foreseen.	NCB opportunities are advertised for a period of no less than 30 days.
			ICB opportunities are advertised for a period of no less than 45 days
Bid validity	Article 55	The period of validity of tenders must be defined in the tender documents and may not be less than 21 days nor more than 120 days from the final date of their delivery.	Under NCB, all bids shall be valid for a period of no less than 90 days  Under ICB shall be valid for a period of no less than 120 days
RFQ	Article 93	Within 5 days from the date of receipt of the letter received or the date of publication of the public invitation.	No prescribed duration, but best practice is usually not less than 7 days.
DC	Article 97	No deadline for submission	No prescribed duration.

Restricted tendering	Article 78	Not less than 12 days from the date of the publication of the contract	No prescribed duration, but best practice is Usually not less than 21 days.
Small size contest	Article 90	Not less than 12 days from the date of the publication of Tender Notice.	N/A
Contest by Bids	Article 80	Not less than 10 working days form the publication of the notice	N/A
RFP/2-Stage Bidding	Article 71	No less than 30 days from date of publication of the announcement of the tender.	

**2.6 Guidance Offered in the IFAD Procurement Handbook**

**2.6.1 Application of the Handbook**

The handbook applies to any procurement activity undertaken by a borrower/recipient when procuring goods, works or services under any IFAD-financed operation, and when the applicable agreement so provides. Consistent application of the handbook’s provisions and procedures is essential for ensuring greater efficiency, transparency, uniformity of documents and decisions and lower procurement costs.

**2.6.2 Key Provisions of the Handbook**

The procurement of goods, works and services for any given project should adhere to the following general provisions:

- i) Procurement is to be carried out in accordance with the financing agreement and the IFAD Project Procurement Guidelines, the respective loan agreement, including any duly agreed amendments thereto, and the

borrower's/ recipient's procurement regulations and/or this handbook, as applicable.

- ii) The cost of procurement may not exceed the availability of duly allocated funds, as stated in the financing agreement.
- iii) Procurement must be consistent with the duly approved annual work plan and budget (AWPB) and in accordance with the activities included in the procurement plan.
- iv) Procurement must be well-organized and properly carried out in terms of quantity, quality and timeliness, and at the optimum price.
- v) Processes must be proportionate to the procurement activity to minimize the overall cost of the procurement process and tailor it to the budget for the activity undertaken.

## **2.7 Prior Review Documentation**

### **2.7.1 Procurement Plan (PP)**

Procurement Plans submitted as part of Annual Work Plans and Budget and any subsequent amendment of these PP's.

### **2.7.2 The General Procurement Notice(s) (GPN)**

The GPN publication and the text of the advertisement including key contracts incorporated in the Procurement Plan like all ICB contracts for goods and works as well as all consultancy contracts of interest to the international business community publicized through the GPN as soon as the Financing Agreement is signed and subsequently ratified.

### **2.7.3 ICB/NCB (Goods, Works, Non-Consulting Services)**

The following procurement decisions shall be subject to prior review by the IFAD for the award of any contract for Goods, Works, Non-Consulting Services under the Project:

- Prequalification documents and shortlist when prequalification is undertaken;
- Technical Specifications for Goods/Works/NCS
- Draft bidding document, and draft procurement notice;
- Amendments to the Bidding Documents and RFPs, CfPs
- Evaluation report and supporting documents including Composition of evaluation committees; and
- Draft contract and the minutes of contract negotiation; Contract amendments, if any.
- Any other step as mentioned in the PAL or tis related amendment

#### **2.7.4 Shopping (Goods, Works, Non-Consulting Services)**

- Draft request for quotation;
- Quotation evaluation report and supporting documents;
- Draft contract/purchase order
- Any other step as mentioned in the PAL or tis related amendment

#### **2.7.5 Consulting Services: QCBS, QBS, FBS, and LCS**

The following procurement decisions shall be subject to prior review by the IFAD for the award of any contract for consultancy and services under the Project:

- The draft Term of Reference (TOR), and the draft request for expression of interest (REOI);
- The EOI evaluation report, the shortlist and supporting documents when prequalification is undertaken;
- Draft request for proposal;
- Amendment to the bidding documents and RFPs, CfPs;
- 
- Technical evaluation report and supporting documents including composition of evaluation committees;
- Combined (technical and financial) evaluation report and supporting documents; and
- Draft contract and the minutes of contract negotiation; Contract amendments if any.
- Any other step as mentioned in the PAL or its related amendment.

### **2.7.6 Consulting Services: CQS and ICS**

- The draft Term of Reference (TOR), and the draft request for expression of interest (REOI);
- The EOI evaluation report, the shortlist and supporting documents
- "Prior lists" for shortlisting consultants
- The EOI evaluation report, the shortlist and supporting documents,
- Draft contract and the minutes of contract negotiation;
- Contract amendments, if any.
- Any other step as mentioned in the PAL or its related amendment.

### **2.7.7 Direct Contracting and Single Source Selection**

Written justification for DC/SSS contracts.

### **2.7.8 Force Account**

N/A

### **2.7.9 Procurement from United Nations Agencies**

N/A

### **2.7.10 Other specific Prior Review requirements**

A contract whose cost estimate was below IFAD's prior review threshold indicated in the Procurement Plan shall fall under prior review if the price of the lowest evaluated bidder exceeds such threshold. All related procurement documentation already processed, including the evaluation report and recommendation for award, shall be submitted to IFAD for its prior review and no objection before the award of contract.

If after publication of the award the Borrower receives protests or complaints from bidders, a copy of the complaint, the Borrower's comments on each issue raised in the complaint, and a copy of the Borrower's response shall be sent to IFAD for its review and comments.

There may be cases where the procurement process does not result in contract award. In such situations, the borrower may recommend (i) cancellation and rebidding, or (ii) price negotiation with the lowest evaluated substantially responsive bidder. These recommendations are subject to IFAD's prior review and issuance of no-objection.

## **2.8 Other procurement-related coordination with IFAD**

The borrower shall inform IFAD of the independent and competent national or local authority (or authorities, if the activities that follow fall under the jurisdiction of more than one authority) to be responsible for receiving, reviewing and investigating allegations of fraud and corruption relating to IFAD-financed and/or IFAD-managed activities and operations;

The borrower shall also provide the name(s), position(s) and contact information of a focal point within that authority (or those authorities, as appropriate) and inform IFAD of any potential changes of that focal point.

Pursuant to Section 8.06. of the General Conditions, the Borrower/Recipient and Project Parties shall promptly inform the Fund of any non-compliance with the IFAD Policy on sexual harassment, sexual exploitation and abuse.

## **3 Critical Procurement Issues**

### **3.1 Areas of Inconsistency between National Law and IFAD Project Procurement Guidelines**

For case where there may be inconsistencies between the national law and the IFAD Project Procurement Guidelines and the procurement procedures elaborated in the IFAD Procurement Handbook, the Financing Agreement and the Procurement Arrangements Letter, the provisions of the IFAD Procurement Guidelines and procedures will take precedence.

#### **3.1.1 Comparison between National and IFAD Procurement**

The following IFAD policies and procedures are missing in the National Public Procurement system:

- policies on anticorruption and sexual harassment exploitation and abuse;
- policy on the Anti-Money Laundering and Countering the Financing of Terrorism;
- template for bidder's self-certification;
- Social, Environmental and Climate Assessment Procedures (SECAP);
- 
- period for bidders to request clarifications under RFQ method;
- there is no standard bidding document to guide ICB procedure;
- The Decree does not provide for the use of framework contracts;
- Use of QCBS not clearly provided; and
- Minimum number of days allowed for the use of some bidding methods such as NCB (21 days) and restricted bidding (12 days) is shorter than international timelines of at least 30 days and 21 days respectively.
- 

In spite of the above gaps, the national rules provide for wide publication of tender documents on various media, the procedures provide for adequate competition, there are clear instructions on how bids should be submitted. The methods to be used in the evaluation of bids and award of contracts are objective and are made known to bidders in advance.

### **3.1.2 Extent of Application of the National Procurement rules under the Project**

The procurement of goods, works and services will be carried out in accordance with national legal framework to the extent that they comply with IFAD requirements to be specified in the Financing Agreement and the Procurement Arrangements Letter.

### **3.2 Cost and Schedule Estimate**

Estimated costs of the project components and proposed contract packages should be based on detailed, accurate, and reliable quantities and unit rates, as accurate cost estimates are essential to an effective procurement plan and will reduce the risk of unsuccessful procurement and corresponding delay in project implementation.

### **3.3 Publication of Notices**



Notices for NCB and ICB contracts shall be published in at least one newspaper with national circulation in the borrower/recipient country and published on the United Nations Development Business website and on the IFAD website.

### **3.4 Award of Grants/Loans**

#### **3.4.1 Selection of Grant or Refinancing Partners**

In case of applicants partnering with other organizations, a single application should be submitted for consideration, clearly indicating the lead agency and the names of all collaborating partners.

#### **3.4.2 Grant Beneficiary Selection**

Grant beneficiaries will be selected through competitive selection. The grant application review and rating process for competitive grants will include criteria considering factors such as: capacity of applicant including eligibility and legal standing; need or extent of the problem; experience in the priority area or specific theme; soundness of approach; applicant ability to leverage resource; and probability of achieving results. The project will include the selection criteria in grant announcements. All identified grant recipients shall undergo due diligence before final award.

#### **3.4.3 Micro-credit Financing**

In the case of Micro-credit Financing, the intermediary should be properly registered with the authority to receive and account for funds, and to administer procurement reliably in accordance with established commercial practices acceptable to the Fund. However, even in these situations, open competition may be the most appropriate procurement method for the purchase of large single items or in cases where large quantities of like goods can be grouped together for bulk purchasing.

### **3.5 Procurement Principles and Ethics**

The Procurement of goods and services shall be conducted by competitive methods, promoting transparency and accountability in the processes and fair and equal opportunities for bidders. The processes must foster integrity, efficiency, effectiveness and economy, and achieve value for money by obtaining the desired quality of services, supplies and/or works at the best price-quality ratio.

No person or entity shall use, or attempt to use, his, her or its authority, position or office for personal gain or interest, which is defined as soliciting, accepting or otherwise benefiting from anything of material value in any form, either in person or indirectly through close relatives or associates, in connection with IFAD-financed operations

### **3.6 Combatting Corruption and Sexual Harassment**

The project will adapt all bidding documents to include mandatory references to the IFAD Policy on Preventing Fraud and Corruption in its Activities and Operations and with its Policy on Preventing and Responding to Sexual Harassment, Sexual Exploitation and Abuse, and IFAD's Anti-Money Laundering and Countering the Financing of Terrorism Policy.

### **3.7 Record Keeping**

Procurement records shall be kept orderly in file records in shelves or other safe place, but preferably the procurement records shall be saved orderly electronically and uploaded to the cloud or other safe electronic environment (including a protected in-house server). Paper file records should not be cramped. Excess papers shall be kept in additional volumes in one or more additional lever- arch folders and in chronological order. Bids and proposals submitted by bidders may be left out of the lever arch file and kept in appropriately labelled box files. Lever arch folders should have a side label and a file index. The procurement file shall contain the documents as required in Module B of the IFAD Procurement Handbook.

## **4 Procurement Transactions – Institutional Setup and RACI**

### **4.1 Delegated Procurement Responsibilities to local entities**

At the provincial level, procurement will be decentralized to procurement officers at the Provincial Project Management Units. It will be limited to small works and locally available suppliers and service providers subject to close supervision by the PROPEIXE Procurement Officer at the national level. Bidding documents will be submitted to Director General of IDEPA for approval.

The PMU will also provide the necessary technical support in preparation of technical specifications, bills of quantities and terms of reference to the provinces, as required.

### **4.2 Implementing Partners**

Other institutions within the Ministry of Sea, Inland Waters and Fisheries may be called upon to implement some of the activities as partners.

### **4.3 Accounting for Procurement by Local Entities and Partners**

Local entities and partners will be accountable to IDEPA.

### **4.4 Institutional Setup, Roles and Responsibilities**

The implementation period of PROPEIXE is 7 years. All procurement activities will be conducted by IDEPA through the Project Management Unit (PMU). IDEPA will assign to the Project Management Unit (PMU) the responsibilities of programming, budgeting, and allocation of resources for the project. The PMU will be responsible for oversight of the IFAD portfolio utilizing a programme approach. The PMU will assure efficiency of certain key functions such as procurement, M&E and knowledge management, and will make use of systems which are constantly updated in line with international best practices and tools offered by IFAD and will ensure proper start-up of the project as well as capacity building. The PMU will ensure recruitment of an appropriate Procurement officer and a Procurement

assistant responsible for management and implementation of procurement activities.

#### **4.4.1 Evaluation Committees**

The evaluation shall be carried out by an Ad hoc Evaluation Committee of at least three members. The Evaluation Committee shall, wherever possible, include at least 1 member with the technical knowledge and experience related to the type of procurement, and may include external experts depending on the complexity of the requirements and the risks involved.

#### **4.4.2 IFAD-funded PMU staff selection**

Staff members will be recruited as individual consultants through a competitive selection process.

#### **4.4.3 Roles & Responsibilities**

The Procurement Unit staff, in collaboration with other PROPEIXE staff, will be responsible for:

- Prepare the annual project procurement plan including any subsequent revision of it, in line with the AWBP, and submit it in time for IFAD's review;
- Supervise the execution of the procurement activities at the PMU and provincial level and report directly to the Project Coordinator;
- Liaise with the various stakeholders and beneficiaries to ensure timely execution of the procurement activities;
- Manage the implementation of all the procurement activities up to the conclusion of the contract;
- Prepare and request IFAD's No Objection for cases requiring its prior review;
- Ensure the contract management register is updated and maintained regularly;
- Manage the OPEN system and related procurement operations;
- Maintain adequate records and filing for each project procurement case.

The National Programme Coordinator shall be responsible for the technical coordination of all user units which are responsible for preparing the terms of reference and technical specifications for the acquisition of goods and works. The National Programme Coordinator is responsible for the approval of the ToR and technical specifications. The Director General of IDEPA will approve the procurement plan, bidding documents and procurement notices, evaluation reports, negotiation minutes and the draft contract and will also consider and approve all contract amendments.

One Procurement Officer and a Procurement Assistant will be recruited through a competitive process.

## **Terms of References**

### **Position: Procurement Officer**

The Procurement Officer, in collaboration with other NPMU staff, will be responsible for carrying out procurement planning and implementation ensuring that sound procurement practices are applied consistently as prescribed by the relevant national laws, regulations and policy documents and in accordance with the provisions of the Financing Agreement with IFAD and the Procurement Arrangements Letter, IFAD's Procurement Guidelines and Procurement Handbook.

The duration of the contract is two (2) years with possible extensions subject to satisfactory performance. The Procurement Officer will report to the National Programme Coordinator.

### **Roles and responsibilities:**

- As part of the PIU management team, and in collaboration with the PMU National Programme Coordinator and the technical and finance staff, participate in the formulation AWPBs and provide inputs on procurement.
- Prepare the Procurement Plan for submission to IFAD for review and no objection, and to the IDEPA Director General for approval.

- Update the procurement plans as needed for submission to IFAD for review and no objection, and to the IDEPA Director General for approval;
- Identify sources of supply, evaluate supplier eligibility and maintain a list of pre-qualified suppliers/contractors
- Undertake the procurement of goods, works and services at the NPMU in compliance with the IFAD project procurement guidelines, the PIM and the project procurement manual.
- Organize meetings for Bids opening and tender evaluations, and maintain record of minutes of the proceedings, decisions and agreed actions.
- Provide training and assist NPMU staff and the implementing agencies to prepare the procurement documents and ensure that appropriate procurement process and procedures are followed in compliance with the IFAD project procurement guidelines, the PIM and the project procurement manual.
- Draft Contract Documents and follow up on the contracts signing process.
- Supervise the process and procedures of contract management of the goods, works and services procured by the implementing agencies to ensure compliance with the IFAD project procurement guidelines, the PIM and the project procurement manual.
- Update regularly "actual" against "plan" procurement data and information in the procurement plan and monitor procurement progress towards the achievement of procurement schedules;
- Manage the OPEN system and regularly update the contract monitoring tool (CMT).
- Prepare a Procurement progress report at the end of month and no later than 15<sup>th</sup> day of the following month, for submission to the National Programme Coordinator.
- Work closely with E&S Safeguards Specialist to ensure that environmental and safeguard requirements are incorporated into the project procurement plans.
- Maintain and keep all records of project procurement and contract documents at the PMU in appropriate files.
- Follow up on any issues related to Procurement, identified in the Supervision Mission Report and Audit Report.
- Advise and propose mitigation measures for non-performance of contracts and report any identifiable indicators of fraud, collusion and other unethical practices in procurement and contracting process.

### **Qualifications, experience and competences**

- At least a bachelors' degree qualification in public procurement, supply chain management, logistics, economics, business administration, engineering, project management, law or a related field.
- At least five years of relevant working experience.
- Experience working with national procurement regulations.
- Knowledge and experience of procurement rules and procedures of multilateral donor institutions (IFAD, AFDB, WB, EU, USAID, DFID, UN, etc).
- Computer proficiency in Windows, MS Office, Excel, and Power Point and internet.
- Good analytical, negotiation, communication and report writing skills.
- Ability to work in a team.

## **Position: Procurement Assistant**

The Procurement Assistant will support the procurement of goods, works and services to ensure transparent and efficient procurement services and processes in the PROPEIXE procurement.

The duration of the contract is two (2) years with possible extensions subject to satisfactory performance. The Procurement Assistant will report to the Procurement Officer.

### **Roles and responsibilities:**

- Assist in the preparation of the procurement plan and bidding documents.
- Procurement of office stationery and consumables, hotel reservations and arrangements of conferences and trainings, arrangements of international travels and local transportation.
- Assist the Procurement Officer with Secretariat roles during tendering processes
- Prepare purchase orders for contracting of goods, works and services.
- Prepare draft procurement correspondence.
- In collaboration with user units, participate in receiving and checking the conformity of goods and services.
- Ensure project assets are tagged.
- Maintain and file all procurement documents and finalized contracts.
- Ensure safe storage of tenders in response to bidding processes.
- Perform any other tasks required by the project as requested by the supervisor.

### **Qualifications, experience and competences:**

- At least a bachelor's degree in commerce or business administration, with a major in procurement/supply chain management or logistics with two years of working experience in procurement or a Diploma in a procurement related field, with at least three years' experience in procurement.
- Working knowledge of GoM procurement regulations and procedures.
- Experience in procurement procedures of multilateral donor organizations will be an added advantage.
- Computer proficiency in Windows, MS Office, Excel, and Power Point and internet.
- Ability to find, evaluate and engage suppliers of goods, works and services.
- Ability to work as part of a team.





## **Appendixes**

Appendix 1: Responsibility Assignment Matrix (RAM - RACI) Template

Appendix 2: Procurement Records and Files

Appendix 3: Guidance on using OPEN End-to-End Project Procurement System

Appendix 4: Vendor Assessment Form

Appendix 5: Debrief, Protest and Appeal Timeline

Appendix 6: The Project Procurement Strategy (PPS)

Appendix 7: SECAP Risks and Procurement Actions



## Appendix 1: Responsibility Assignment Matrix (RAM - RACI) Template

- Responsibility Matrix for the preparation of the procurement part of IFAD's PDR

SPO	IFAD Proc. Specialist/consultant	CD or CPM	OPR	National Stakeholders	ESS Specialist/s	IA of Beneficiary Government
A	R	C	C	C and I	C	C and I

Where:

**A** stands for oversight / approval and accountability for finalization of the PDR for DRM submission

**R** stands for responsibility to conduct the task

**C** stands for the need to consult with this party

**I** stands for the party being informed about the conduct and result of the project's procurement design tasks.

## **Appendix 2: Procurement Records and Files**

The project shall maintain the following records:

- (i) a copy of the published REOI advertisement or shortlist (if applicable);
- (ii) a copy of the published pre-qualification and bidding documents and any amendments, extensions or clarifications requested and issued;
- (iii) a record of the tender opening, signed by all TEC members and the bidders present;

- (iv) a full copy of each bid received and evaluated, plus clarifications requested and responses received;
- (v) a copy of the evaluation report ;
- (vi) signed minutes of all meetings related to the procurement, including pre-bid and negotiation meetings, when held;
- (vii) a contract award notice;
- (viii) any letter of tender acceptance to the supplier, contractor or consultant ;
- (ix) the signed contract document and contract acceptance;
- (x) any contract amendments;
- (xi) all contractual correspondence between the procuring entity and a supplier, contractor or consultant;
- (xii) post-contract documents related to the fulfilment of contract obligations, especially photocopies of bank guarantees or payment guarantees;
- (xiii) signed minutes of any meetings related to contract management, including contract progress or review meetings;
- (xiv) signed delivery documents evidencing delivery of supplies, or signed completion certificates related to a contract for services or works under the contract, including any contract delivery records;
- (xv) a copy of all invoices for works, services or supplies, including working papers verifying the accuracy of payments claimed and details of the actual payment authorized;
- (xvi) a copy of cumulative payment worksheets/records evidencing management of all payments made;
- (xvii) all decisions of the concerned borrower's approval authority related to the procurement, including the approval of the bidding documents, the approval of the evaluation report(s), the contract award, the approval of contract documents and contract amendments and any decision to suspend or cancel procurement proceedings;
- (xviii) a copy of any claims made by the procuring entity with respect to any warranty, non-warranty, short supply, damage and other claims against the contracted vendor or the procuring entity;
- (xix) in the case of IFAD prior review, all submissions and correspondence related to the seeking of IFAD's no objection (NO) and a copy of the respective IFAD NO letter; and
- (xx) any other communications related to the procurement in question, including internal entity correspondence

### **Appendix 3: Guidance on using OPEN End-to-End Project Procurement System**

IFAD requires all Borrowers to publish their Procurement Plans in IFAD's online "OPEN End-to-End Project Procurement System" (OPEN). The OPEN system is a single interface system that links all procurement systems in one from planning to acceptance of contract deliverables thus covering complete procurement processes and cycle while voiding duplication of efforts.

The system supports borrowers plan, record, and track key stages of the procurement processes. It is a requirement for IFAD Borrowers to use this system. However, the use of the OPEN system will only apply in instances where procurement activity is subject to prior review thresholds for the projects which are risk based and require IFAD to review and clear stages of the procurement.

It is worth noting that all procurement activities below the prior review thresholds will not be processed end-to-end in OPEN. For such procurement activities, it is expected that only the initial steps such as procurement item, cost estimate, procurement method and market approach and determination if or not an activity is subject to IFAD's prior review or not and in terms of selection of consultants the Terms of Reference (ToRs) will be approved by IFAD in OPEN. The rest of the selection or procurement steps will be subject to Procurement Post Review (PPR) or Audit by the Supreme Audit Institution (SAI) of the Borrower or any institution that would have been approved by IFAD.

The system incorporates built-in guidance for borrowers on how to conduct procurement activities from start to finish. It increases transparency and efficiency by streamlining workflows and automating processes and integrating procurement planning with the No Objection Workflows. It also facilitates tracking of procurement activities and provides analytics and reports to support evidence based management.



**Annex 4: Vendor Assessment Form**

<b>PART I: COMPANY DETAILS AND GENERAL INFORMATION</b>			
Name of Vendor			
Full Address and Contact Details of the Tenderer.		1. Country 2. City 3. Location 4. Building 5. Floor 6. Postal Address 7. Name and email of contact person.	
Current Trade License Registration Number and Expiring date			
Name, country and full address ( <i>postal and physical addresses, email, and telephone number</i> ) of Registering Body/Agency			
Description of Nature of Business			
Provide details of the senior management of the firm			
Sector of the Business			
<b>PART II. FINANCIAL INFORMATION</b>			
VAT Number		Tax Number	
Bank Name		Bank Account Number	
Bank Address		Account Name	
Swift/BIC number		Standard Payment Terms	
Has the company been audited in the last 3 years?			<input type="checkbox"/> <input type="checkbox"/>
Please attach a copy of the company's Annual or Audited Financial Reports for the last 3 years.			<input type="checkbox"/>
Annual Value of Total Sales for the last 3 Years:		USD:	Year: USD:

Year:	USD:	Year:			
Annual Value of Turnover for the last 3 years					
Year:	USD:	Year:	USD:	Year:	USD:
<b>PART III: VENDOR EXPERIENCE</b>					
List the recent experience of your business with other companies, NDOs and International Organizations					
What is your business coverage area?					
Provide any other information that demonstrates your company's qualifications and experience (awards, etc)					
List any national or international Trade/Professional Organizations of which your company is a member.					
<b>PART IV: TECHNICAL CAPACITY</b>					
Type of Quality Assurance Certificate					
Type of Certification/Qualification Document					
International Offices/Representation					
List the type of Goods that your company sells.					
List the main assets of your company (Transport equipment, warehouses, etc)					
<b>PART V: MISCELLANEOUS</b>					
Does your company have an Environmental Policy?, If yes, attach a copy			<input type="checkbox"/>		
Does your company have an ethical Trading Policy?, If yes, attach a copy			<input type="checkbox"/>		
Has your company been bankrupt, or is in the process of being wound up, having its affairs administered by the Courts, has					

entered into arrangements with creditors, has suspended business activities, is the subject of proceedings concerning these matters, or is in any analogous situation arising from a similar procedure provided for in national law? If yes, please provide details.	
Has your company been convicted of an offence concerning its professional conduct by a judgement which has force of law? If yes, provide details.	
Has your company been guilty of grave professional misconduct proven by other means? If yes, kindly explain.	
Has your company fulfilled obligations relating to the payment of its social security obligations and payment of taxes in the country in which it operates? If so, provide clearance certificate for the last most recent year.	
Has your company been declared to be in serious breach of contract for failure to comply with its contractual obligations, following any procurement procedure? If yes, provide details.	
Has your company ever been in any dispute with any Government Agency, the United Nations, or International Aid Organizations? If yes, provide details.	
Do you agree with terms of payment of 30 days?	
<b>PART V: CERTIFICATION</b>	
I certify that the information provided in this form is correct and describes our current business status.	
Name of Manager _____	Signature _____ Date _____
Affix company seal	

## Annex 5: Debrief, Protest and Appeal Timeline

### Debriefing

Any bidder that wishes to learn why its bid or proposal was not selected may request an explanation from the procuring entity. The procuring entity will first have sent a notice that the evaluation is completed (via the notice of intent to award [NOITA]). After receiving this information, the unsuccessful bidder may request a debrief. The procuring entity shall promptly provide an explanation in writing of why the bid was not selected. The bidder may then request a meeting. If the procuring entity agrees to a meeting after providing the debrief, the bidder shall bear all the costs of attending the meeting.

The procuring entity shall provide the written debrief within four business days of the request. The debrief should indicate the stage of the evaluation at which the tender was rejected whether it is at the preliminary review, the detailed evaluation or the financial evaluation and the reasons for its rejection.

If the bid was rejected at the technical evaluation stage, only the details of the requesting bidder will be provided but the technical details of the other bidders will not be disclosed. The requesting bidder will be provided only with the technical evaluation summary of bidders who attained compliance.

Regarding the financial evaluation summary, the requesting bidder will only be provided with the evaluated price of the bidders and their rankings.

### **Admission of Protest**

1. Any bidder that believes it has suffered or may suffer loss or injury due to a procurement action may file a protest in line with Article 278 of the Decree No. 79/ 2022 of December 30.
2. Protests must be submitted in writing to the Contracting Entity within five (5) business days from the date of their notification, without payment of any fee.
3. During the time limits for protest, tenderers shall be free to consult the administrative procedure of the tendering procedure.
4. It is up to the Jury to send the protest as well as its opinion on the Protest to the Contracting Entity, within a maximum period of five (5) working days after receipt of the protest.
5. The Contracting Entity shall decide on the protest within ten (10) working days from the date of its receipt.
6. The protest shall have suspensive effect on the course of the competition. In the case of tendering for lots, the suspension shall apply only to the lot complained of.

## **Admission of Hierarchical Appeal**

1. The acts of the Contracting Entity are subject to hierarchical appeal, among others, to the Minister of tutelage, Provincial Governor and District Administrator, in relation to the central, provincial and district levels, respectively as provided in Article 279 of the Decree No. 79/2022.
2. The Hierarchical Appeal is based, in particular: a) violation of the rules of this Regulation; b) violation of the rules contained in the Tender Documents; and (c) a defect in form, including the failure to state reasons in fact and in law for the administrative act.
3. The Hierarchical Appeal must be filed within three (3) working days after the notification of the decision on the Protest, upon presentation of a security (not more than zero point twenty-five percent (0.25%) of the estimated value of the contract, limited to one hundred and twenty-five thousand meticais (125,000.00 MT), updatable by order of the Minister who supervises the area of Finance) provided for in Article 280 of these Regulations.
4. The Appellate Authority shall decide on the Appeal filed within thirty (30) working days from the date of receipt.
5. The Hierarchical Appeal produces suspensive effects in the contracting procedure. 6. The bodies referred to in paragraph 1 of this Article may request expert advice from the Functional Procurement Supervision Unit.
6. As a condition of acceptability of the Hierarchical Appeal the competitor must present a guarantee, as a security, whose value defined in the Tender Documents, is not more than zero point twenty-five percent (0.25%) of the estimated value of the contract, limited to one hundred and twenty-five thousand meticais (125,000.00 MT), updatable by order of the Minister who supervises the area of Finance.
7. The amount collected shall be refunded to the Competitor if the appeal is found to be well founded and, if not, reverted to the State as provided in Article 280 of the Decree.
8. The decision rendered in Hierarchical Appeal is subject to Contentious Appeal as outlined in Article 281 of the Decree.

9. The Contentious Appeal shall be governed by the specific legislation.

For prior-review procurements, all protests, submitted by bidders to the borrower/recipient as a result of a Notice of Intent to Award, must be communicated to IFAD before a decision on the complaint is issued. IFAD reserves the right to provide inputs or comments to the borrower/recipient to help it reach the decision. A copy of the decision must also be provided to IFAD. For post-review procurements, the borrower/recipient shall inform IFAD about the protest. The borrower/recipient shall inform IFAD of any related Appeal filed to competent national authorities immediately upon becoming aware of such an appeal.

## **Appendix 6: The Project Procurement Strategy (PPS)**

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- I) Project Overview
- II) Overview of Country, Borrower and Marketplace
- III) Procurement Risk Analysis
- IV) Procurement Objectives
- V) Recommended Procurement Approach for the Project Procurement Approach
- VI) Responsibility Matrix for development of the PPS
- VII) Lessons Learned and Challenges from Previous Projects Implemented

### **Abbreviations and Acronyms**

AfDB African Development Bank

CQS Selection Based on Consultants Qualifications



EU	European Union
FBS	Fixed Budget Selection
IA	Implementing Agency
ICS	Individual Consultant Selection
IDEPA	National Institute for Fisheries and Aquaculture Development
IFAD	International Fund for Agricultural Development
LCS	Least Cost Selection
OPEN	IFAD OPEN end-to-end project procurement System
PMU	Project Management Unit
PP	Procurement Plan
PPS	Project procurement Strategy
ProAQUA	Small Scale Aquaculture Promotion Project
PRODAPE	Small Scale Aquaculture Development Project
PROPEIXE	Artisanal Fisheries Resilient Development Project
ProPESCA	Artisanal Fisheries Promotion Project
QBS	Quality Based Selection
QCBS	Quality and Cost Based Selection
WB	World Bank

## I): Project Overview

### a) Key project information

Key project information is shown in Table 1.

Table 1: Project overview

Country	Mozambique
Full Project Name and Number:	<b>ARTISANAL FISHERIES RESILIENT DEVELOPMENT PROJECT (PROPEIXE)</b>
IFAD Loan / Grant amount (\$):	US\$58 million

Loan/Grant Number:	
Name of Procurement contract or group of similar contracts	<p>(i) <b>Works contracts:</b> development of mangrove seedlings and rehabilitation of buildings.</p> <p>(ii) <b>Goods contracts:</b> Procurement of office furniture, IT equipment, vehicles, motor cycles, fishing gear, office furniture, inputs for vulnerable households, procurement of MIS system, office supplies, cameras and video conferencing kits, research equipment, financial software, sampling kits, publications, production of audio and visual materials.</p> <p>(iii) <b>Consulting services:</b> consulting services to develop three fishing management plans for fishing zones, undertaking baseline surveys, consultancies for mapping and assessment of coastal fisheries ecosystems and other consulting services, contracting of service providers to provide management services, development of strategies and guidelines, various studies and recruitment of short term technical assistants.</p>
Estimated Contract Cost (\$)	6,020,000.00

PROPEIXE is intended to “sustainably increase the incomes, nutrition and food security by addressing the main barriers to sustainable production and marketing for artisanal fisheries”. The main target group of the project consists of small-scale fishers engaged in artisanal fishery (production level) and other sector along the value chain (e.g. processing, marketing and service provision) deriving most of their income from fish production and post-production at different scale, from subsistence to market oriented. The project will also target community organizations and businesses including transformation drivers. In addition the project will have a focus to target specific vulnerable groups such as women, youth, Persons with Disability (PwD) and also Internally Displaced People (IDPs) in the Northern Provinces.

The Project Development Objective (PDO) will be to “increase the sustainability of fishery value chain returns, by promoting responsible fisheries, community conservation and restoration of ecosystems and biodiversity, while also supporting fishery community resilience through diversification of livelihoods”.

## **b) Project components and cost**

The project has three components, all of which include procurement activities and will be implemented through the PMU with the support of the Provincial delegations of IDEPA.

- Component 1: Resilient artisanal fisheries and ecosystem management
- Component 2: Inclusive fisheries climate resilient value chain development and livelihood diversification
- Component 3: Institutional strengthening, project management and policy initiatives

Out of the overall project costs of US\$58 million, component 2; *Inclusive Fisheries Value Chain Development and Livelihood Diversification* has been allocated 52 per cent, equivalent to US\$ 27.6 million. This is followed by component 1; *Resilient Artisanal Fisheries and Ecosystem Management* which has accounted for 26 per cent equivalent to US\$13.6 million, and the balance of 23 per cent equivalent to US\$12 million has been allocated to component 3; *Institutional Strengthening, Project Management and Policy*.

## **c) Project duration**

The Project will be implemented over a 7-year period.

## **I) Overview of Country, Borrower and Marketplace**

### **a) Operational Context**

Mozambique is located on the South eastern region of Africa. The country’s eastern border lies along the Indian Ocean. Mozambique has an expansive land territory covering up to 309,500 square miles. Despite its large area, the country only has a population of approximately 32 million people.

From a poverty and food insecurity perspective, PROPEIXE will target/covers five provinces: Inhambane, Sofala, Zambézia, Nampula and Cabo Delgado and a total number of 21 districts. The main target group consists of small-scale fishers engaged in artisanal fishery (production level) and other sector along the value chain such as processing, marketing and service provision deriving most of their income from fish production and post-production at different scale, from subsistence to market oriented.

## 5.1 Governance Aspects

Mozambique is a republic and a multiparty democracy with two spheres of government: national and local. There is separation of powers between the Executive, Legislative and Judicial arms of government.

Assessments by Transparency international show that Mozambique was ranked 26 out of 100 in the CPI in 2022. It was position 142 out of 180 countries indicating a medium to high risk of corruption. The 2022 Ibrahim Index of African Governance (IIAG) ranked Mozambique 26th out of 54 African countries, scoring lower than the African average (48.9) and lower than the regional average for Southern Africa (54.2). The Ibrahim Index of African Governance annually measures the quality of governance in 54 African countries by compiling statistical data from the previous year (<https://iiag.online/locations/mz.html>).

A significant political and governance risk is that Mozambique is experiencing ongoing conflict in the central and northern parts of the country which may affect the implementation pace of the project's work plan and procurement plan.

## 5.2 Economic Aspects

Although Mozambique has a wealth of natural resources, is a low-income country with a GDP per capita of US\$ 417 - among the lowest in the world according to the World Bank. Many households have difficulties in accessing basic needs, especially access to food due to limited income. According to Mozambique latest food security outlook report (August 2022),<sup>17</sup> many poor rural households apply coping strategies in terms of the diversity of their diet and frequency of meals, which is a critical measure of nutritional security.

The Mozambican fisheries sector has numerous resource assets. It has several rivers and lakes and it hosts the fourth longest coastline in Africa, harbouring some of the most spectacular coral reefs and several highly productive estuaries. The contribution of fisheries

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<sup>17</sup> Mozambique Food Security Outlook Update, August 2022, [link](#)

to the GDP. The sectors' contribution to the GDP is estimated to be around only 2%. If properly developed, the sector can be an important contributor to the country's economic development through job creation, foreign exchange earnings and other economic facets.

### **5.3 Sustainability Aspects**

Mozambique has high vulnerability to climate change and extreme weather events. The project shall prepare and adopt a sustainable approach that will be extended throughout implementation in order to enhance ownership by beneficiaries to ensure sustainability. The Project's known localized negative impacts on the environment will be minimized through implementation of proposed SECAP procedures and mitigation measures developed for the Project during design and by adherence to environmental regulations. IFAD will continue to support both the PMU and the IA in increasing their capacity in procurement and in other operational and technical areas, including at the provincial level. Capacity building is important for successful implementation and sustainability of the project.

### **5.4 Technological Aspects**

Mozambique has Internet penetration of 21.1% (in 2021). The country developed an e-procurement strategy but e-procurement is not yet implemented, there is an opportunity to utilize digital services to support most sectors in the economy. Published information is segmented due to lack of a centralized portal for maintaining procurement data.

## **b) IA Capability Assessment**

### **Experience**

The implementing agency (IA) has experience in procuring and implementing projects funded by multilateral donor organizations, such as the WB, AfDB, and IFAD. The IA has previously implemented IFAD-funded projects (ProAQUA and PROPECCA) with similar scope as PROPEIXE. It is currently implementing another fisheries project (PRODAPE). It is therefore familiar with IFAD procurement framework.

The IA is not adequately resourced in terms of efficient equipment and office facilities to oversee the implementation of the planned procurement activities.

The procurement processes are mainly manual including record keeping since there is lack of an end-to-end procurement system

Staff lack the experience to manage the substantial SECAP risks involved in the operating environment.

### **Hands on support**

Although the IA has reasonable procurement capacity, some weaknesses were noted. The staff are not qualified and certified in procurement. A Procurement Specialist and a Procurement Assistant will be recruited to provide procurement implementation support for the project.

The PMU staff will require some IFAD Procurement training to familiarize themselves with provisions of IFAD's Procurement Guidelines and the use of the IFAD OPEN end-to-end project procurement system.

IFAD will review procurement documents and provide timely feedback to the PMU.

### **Contract Management Capability and Capacity**

Contract management challenges are expected as there are no contract management plans in place and the IA procurement staff lack experience in procurement of works contracts. Contracts are managed by the Finance department instead of the procurement and user units resulting in a weak control environment. To mitigate the risk of inadequate capacity in contract management, the IA will seek support of sister institutions in charge of fishing ports (INFRAPESCA) and road administration (ANE) in the Ministry of Sea, Inland Waters and Fisheries (MIMAIP) which have technical capacity in Works procurement in relation to evaluation of bids and in management of infrastructure contracts. The IA will use the IFAD SBD's and the recommended risk mitigation measures in the SECAP guidelines developed during project design to mitigate the SECAP risks.

### **Complaints management and dispute resolution systems**

Mozambique has a hierarchical system for dealing with complaints and appeals. The procedures for complaint management and dispute resolution system are however not clearly defined and there is no independent complaints body. There is lack of prompt handling of complaints and resolution of disputes during tendering, contract management and any perceived unethical behaviour that may be obtaining at any time or point in the procurement cycle/ process.

As part of the preparations, a feedback and grievance mechanism has been proposed that would allow project beneficiaries, general community members, and other stakeholders (NGOs, development partners, parliamentarians, contractors, etc.) to comment on or express concerns about implementation of the project. The purpose being to provide an information channel that would allow stakeholders to pass on important information to higher levels of project oversight and management in a neutral and, if necessary, anonymous fashion.

### **c) Market Analysis**

#### **Market Research**

Market research was conducted on the following supply markets servicing the indicative contract packages: overall construction industry in Mozambique and industries servicing the PROPEIXE project (e.g vehicle sector, motorbikes, boats and fishing gear, IT equipment, furniture, etc)

The sources of information included Internet search on the construction industry, public information and Project team experience. The following are the findings:

#### **Civil works**

The overall construction industry (including consulting services for design, engineering and supervision) in Mozambique is fairly developed according to data from the Mozambican Federation of Contractors. There are no manufacturers of construction equipment locally. However, most the construction firms possess the equipment and capacity that may be required to participate in works contracts for the project.

Most construction materials are available locally and there is a well-functioning and competitive market for building and civil works. There is a core of contractors that routinely win work and there is no evidence of concentration in the market.



There are at least 10 national contractors with capacity for contracts up to around \$1 million. Contracts above \$1 million attract international bidders, mainly from Portugal, South Africa and China.

Some of the top core companies include Tayanna, Teixeira Duarte Engenharia, NCC Mozambique, Proconstroi Lda, Mota-Engil . The Engenharia, CETA, Soiltechnic Lda, Afridev Mati Mozambique, Kingman Construtora, and Sanitop Mozambique. The companies have undertaken several contracts in the country and possess the adequate experience to successfully participate in bidding opportunities offered by the project. Most of the companies are based in Maputo and given the expansive nature of the country, it may involve logistical challenges in mobilization and delivery of equipment to site after award of contract which may impact on implementation time of contracts.

### **Boats and Fishing Gear**

There are four companies that supply boats and fishing gear in Mozambique, namely Aquafish, Lda, Marine Service, Lda, Agrimoto, Lda, Motobarco, Lda.

### **ICT Equipment**

There are several suppliers of ICT equipment in Mozambique. Most of the IT equipment is imported from South Africa, China and UAE.

### **Furniture**

There are many suppliers of furniture in Mozambique. In addition to local manufacturers and suppliers, there is a variety of furniture is imported from Portugal, Thailand, South Africa, China, Turkey and Indonesia.

## **Vehicles**

Mozambique has several suppliers of vehicles. Toyota de Moçambique (CFAO) supplies toyota brands, Motorcare for Nissan vehicles, Tecnica Industrial for Mitsubishi, Interauto sells Ford, Ronil supplies Mazda vehicles, MHS for Mahindra, Entrepосто sells Isuzu, Grupo Caetano sells Peugeot and VW.

## **Motor cycles**

Project envisages to procure 107 motor cycles for use in extension services in the districts and at the provincial level. There are only two established suppliers of motor cycles in Mozambique, namely Marine Service Lda and Perrshop Lda. Since the value of the package is going to be high, it is expected that the procurement for the requirement will be open to the International market in order to reach many qualified and experienced firms.

## **Consulting services**

The project will involve a large number of consulting services which development of policies and plans, conducting assessments and surveys, design and supervision of construction works and technical support under various components. The national market has adequate number of experienced firms to meet the requirements. Only a few of the consultancies may warrant advertising internationally.

## **d) Financial**

IFAD assesses the Borrower's financial management systems to determine whether they provide reasonable assurance that IFAD's resources will be used for their intended purposes. If so, then country systems are used to support the implementation of IFAD-funded operations. Moreover, the scope of IFAD's financial audit encompasses the sum of those expenditures necessary for the achievement of the project development objective or covered by the financing plan, not merely the part financed by the Fund.

## **e) Procurement Trends**

Mozambique revised its procurement law in 2022 and introduced some changes which have enhanced transparency in the public procurement market. For example, it is no longer a requirement for foreign bidders to have local representation in the country. This will motivate more foreign bidders to participate in procurement opportunities in the country. Another positive development is the introduction of a confidentiality clause in the law obligating those who are involved in the procurement process to keep bidding information confidential until the procurement and contracting process is completed. This is likely to boost the trust of vendors and other participants.

### **Key conclusions of Market Analysis**

The market assessments demonstrate that enough domestic contractors, service providers, and or suppliers who capable of providing the required quantity and quality of works, services, or goods at reasonable costs and within the required time frame. From the experience of ongoing IFAD-funded projects in Mozambique, award prices are generally in the range of 90 – 95% of the cost estimate. There are at least 10 national contractors with capacity for contracts up to around \$2 million, and contracts above \$5 million attract international bidders, mainly from South Africa, China and the United Arab Emirates.

Feedback on projects with local contractors has however shown that several issues may be faced:

- (i) lack of knowledge on the regulations and contract procedures of IFAD and other Multilateral Organizations;
- (ii) occasional difficulties in meeting the desired construction specifications, quality and timelines; and
- (iii) poor management system.

As a consequence, the supervision consultants must often invest extra efforts and resources to train and guide the contractors so that they meet quality standard and follow contract procedures.

Overall, there is a well-functioning supply market for the goods and services required for the project. However, the suppliers and providers do not have sufficient capacity to address the SECAP risks in the operating environment and there is need for regular capacity building and

continuous sensitization in this area so as to develop supplier capacity to participate in the intended procurement competitions while mitigating the SECAP risks.

### III) Procurement Risk Analysis for abovementioned contract/group of similar contracts

The Project Procurement Risk Assessment identified the following risks which are summarized in the matrix below together with their mitigation actions with implications for the procurement strategies:

Table 2: Risk Register

Risk Description	Proposed Mitigation	Risk Owner
Low capacity of local bidders leads to low competition	Reduce package sizes (but may increase coordination risk). Procurement marketing (incl. local advertising, IFAD website)	IA
Foreign exchange rate fluctuations may adversely affect the budget leading to insufficient funds.	Make provisions in the AWPB to take care of any anticipated changes; review the budget before each bidding, take proper measures to increase competition.	IA
Competitive rivalry among bidders may lead to Abnormally low bids.	Follow the ALB process provided in the IFAD Procurement Handbook. Identify, analyze, decide.	IA, IFAD
Inadequate procurement staff capacity to draft specifications may lead to insufficiently clear specifications and TOR being included in bidding documents.	Ensure specification is reviewed prior to issue. Use expert consultants as required especially for works contracts.	IA

Limited knowledge on SECAP standards may lead to non-inclusion of social, environmental and climatic requirements in the bidding and contract documents.	Request IFAD support training on SECAP procedures; Specifications, bidder's qualifications, evaluation criteria and contract clauses to include SECAP requirements; selection of suppliers and contractors who propose adoption of climate resilient technologies and building actions.	IA
Procurement process times are too long	Manage the approvals process to reduce approvals time. IFAD to support the borrower to speed up the process	IA, IFAD
Delays due to tender committee and other approvals	Coordinate with Tender Committee closely.  Ensure Bid Evaluation Report meets IFAD requirements prior to submitting (consult IFAD, if necessary).	IA, IFAD
Excessive design time may delay project implementation. Poor design quality or design errors are likely to produce poor outcomes	Select designers on the basis of experience and qualifications and require a design schedule to be submitted as part of the bid response.	IA
Insufficient contract management will result in loss of value from contracts or poor quality outcomes	Ensure a competent construction manager with sufficient resources is engaged to perform contract management.	IA
Poor quality works by contractor	Include minimum experience requirements. Increase the responsibility of the construction supervision consultant.	IA
Insufficient skills in contract management	IFAD to support the IA and PMU with capacity building in contract administration and management through procurement clinics and other relevant training programs.	IFAD/IA
Component dependencies and interconnectedness may delay project execution and results	Acknowledge complexity of design, identify critical path activities and appoint a competent project manager with sufficient time and authority to manage the higher risk contracts.	IA

Selection of poor quality subcontractors by the contractor may cause poor quality delivery of works, goods and services.	Qualify sub-contractors at the bid stage and ask contractors for their plans for resourcing of contracts. Establish a system of monitoring contract performance and reporting at an overall service level, approving and making payment according to the contract.	IA
Variations due to unexpected costs such as ground conditions, and weather conditions.	Develop SCC to cover this aspect in more details and include it in contract management plan	IA

The overall fiduciary risk for this project is assessed as medium.

### Options Analysis

The procurement strategy options were assessed using three criteria, Feasibility for implementation, Suitability to support the project objectives, and Acceptability by the implementing agency using a rating scale of 1 to 10.

Strategies highlighted in grey were selected by the project team for implementation.

Table 3: Strategic options

Strategic Options Description		Feasibility (1-10)	Suitability (1-10)	Acceptability (1-10)	Overall (3-30)	Comment
Procurement Strategy Options	Rationale					
<b>Develop Mangrove seedlings</b>						
One package and	Accommodates national and international suppliers.  Consolidates packages.	8	7	9	24	Acceptable to IA

open competitive bidding						
SECAP performance standards	Include SECAP procedures in specifications, bidders qualifications, evaluation criteria and contract clauses	6	7	8	21	Acceptable to IA
Weighted and scored evaluation criteria in place of pass/fail.	Avoids elimination of national contractors due to not meeting qualification criteria. Enables a value-for-money comparison of bids. Helps to address abnormally low bids by enabling quality to be rated. In line with Supply Positioning analysis categorization of this packages as "Strategic Critical" and corresponding procurement strategies	8	8	8	24	Acceptable to IA
Qualification of subcontractors at bid stage	Addresses risk of non-performance by international contractors subcontracting the work to local contractors.  Evaluation as a weighted and scored criterion enables this to be used as a means of comparison of bids, rather than pass/fail.	9	9	9	27	Acceptable to IA
Require clauses in subcontracts	Ensures that subcontractor risks are addressed via the main contract and subcontract investigations can be conducted as required	9	9	9	27	
Contract management	Essential to monitor quality through contract implementation.	9	9	9	27	Acceptable to IA

Bidding Procedure Single-Stage: One-Envelope (1S1E)	Familiar to PMU, easy for evaluation and time saving	9	9	9	27	Acceptable to IA
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**Vehicles, Motor Cycle, and IT equipment packages**

Strategic Options Description		Feasibility (1-10)	Suitability (1-10)	Acceptability (1-10)	Overall (3-30)	Comment
Procurement Strategy Options	Rationale					
One package with multiple lots and Open competitive bidding	Accommodates national and international suppliers.	9	9	9	27	Acceptable to IA
Use of Conformance-based specifications	Ensure simple and faster evaluation	9	10	9	28	Acceptable to IA
SECAP performance standards	Include SECAP procedures in specifications, bidders qualifications, evaluation criteria and contract clauses	8	8	8	24	Acceptable to IA
Bidding Procedure Single-Stage: One-Envelope (1S1E)	Familiar to PMU, easy for evaluation and time saving	9	9	9	27	Acceptable to IA
<b>Office Furniture and other goods packages</b>						



Open competitive bidding/ Shopping	Given value of package and risk, conduct open competitive bidding and award to lowest cost bid that conforms to specification.  Alternatively, could specify requirements in RFQ document	9	9	9	27	Acceptable to IA
Separate packages (including lots in case of office equipment)	Similarity of the items in the package and manufacturer's product range considered	9	9	9	27	Acceptable to IA
Discounts for multiple lots	Leverages scale and volume discounts	8	8	8	24	Acceptable to IA
<b>Consulting Packages</b>						
QCBS, QBS, QCS, LCS, ICS as appropriate for each package	Match method to levels of risk, value and complexity					Acceptable to IA

**IV) Procurement Objective for abovementioned contract/group of similar contracts**

The procurement objectives of the project are to:

- achieve value for money in all procurement under the project;
- deliver the project within time and budget.

- build facilities with required equipment that will be able to deliver quality services in a sustainable and economical manner.

## **V) Recommended Procurement Approach for the Project Procurement Approach**

Based on the analysis of the operating context, capacity of implementing agencies and the market, the procurement risk and options analyses, the following procurement strategies are recommended.

### **5.4.1 Specifications**

Conformance-based specifications should be used for all packages except the contract for the rehabilitation of IDEPA offices which will use performance specification to enable the contractor to offer innovation solution.

## **Procurement Methods**

The procurement method to be used for all goods, works and non-consulting packages is Open Competitive Bidding (OCB) and advertisement will be either local or international depending on the value and corresponding threshold. Awards will be made to the evaluated substantially responsive bid. In all cases supply markets exist with a sufficient number of suppliers likely to be attracted to participate in bidding for the packages.

Under the Project, contracts for the development of mangrove seedlings estimated at US\$1,400,000 and the contract for the construction and deployment of FADs and artificial reefs for an estimated amount of US\$700,000 have been identified as high value and complex contracts. The contract will be carried out through open international bidding and the selection method will be Request for Bids. The consultancy contract for the development of three fisheries management plans for fishing zone for US\$923,000 is also foreseen as a big ticket contract. The contract for the deployment of FADs will be undertaken in the second half of 2025.

The contract for development of mangrove seedlings is the only works contract above the ICB threshold in the project and Request for bids will be advertised internationally. Local/national contractors will have the opportunity to participate, either as sole bidders or as Joint Venture partners or subcontractors of foreign contractors. Given the importance of local knowledge of the mangrove forests, foreign firms will be encouraged to partner with local contractors with relevant experience in the area. The scope of work/specifications and scope should be carefully developed to ensure as that they are objective and neutral and that they provide a balance of responsiveness and attractiveness. The Project should ensure adequate transparency in the bidding process to increase bidders' confidence in fair treatment and timely decision-making process, increasing the attractiveness of participating in the Bid.

For goods and goods-related non consulting services packages, Request for Bids using ICB procedures will be advertised for two contracts for the supply of vehicles for US\$353,000; and for supply of motor cycles for US\$441,000. The following five packages will use NCB procedures: supply of IT equipment for US\$104,000; supply of materials for fishing gear US\$153,000; development of nutrition, education and SBCC materials for US\$180,000; supply of inputs for vulnerable households for US\$ 122,000; the supply of energy efficient stoves for US\$103,000. The contracts for supply of vehicles, motor cycles and IT equipment will each be procured as one package with multiple lots.

Apart from the above contracts, the other goods and goods-related non-consulting services packages of the Project are of relatively small value and the local market is considered able to respond to the demand using National Shopping procedures.

For the selection of consulting services, the Quality and Cost Based Selection (QCBS) method will be used to procure the following eight consulting contracts for: (i) development of three fisheries management plans for fishing zone for US\$923,000 (ii) site selection and design for FADs and artificial reefs for an estimated amount of US\$61,000; (ii) recruitment of service provider to carry out youth skills development training for US\$490,000; (iii) consultancy to

provide business development services to youth for US\$152,000; (iv) capacity assessment of associations/cooperatives in artisanal sector US\$51,000; (v) consultancy to finalize elaboration of the strategic plan for PESPA II for US\$150,000; (vi) consultancy to undertake a baseline survey for US\$152,000; and (vii) consultancy to undertake survey and design of Feeder roads rehabilitation for US\$153,000.

The CQS method will be used for recruiting consultants to (i) identify and design fish processing centres for US\$15,000; (ii) prepare guidelines to support the implementation of PPPPs for US\$25,000; (iv) design a program on fishing trials and demonstration for US\$30,000; and (v) to develop a gender policy for US\$30,000.

The Project will have other several specialized activities that will not require a team and will be processed through the Individual Consultant Selection (ICS) methods. External Audit services estimated at a cost of US\$3,000 will be procured using the LCS method.

Most consulting packages will generally have other consulting packages with lower values and these will use other methods such as LCS, CQS, and ICS as appropriate.

The procurement of operating activities including seminars, workshops, meetings, communications, vehicle operation costs and travel shall be carried out using Government of the Mozambique procedures.

## **Prequalification**

Prequalification will not be used for any of the goods and works packages.

## **Bidding and Evaluation Procedures**

All Goods, works and non-consulting services packages will use Single-Stage, One-Envelope (1S1E) bidding procedure while the bidding procedure for consulting packages will be Two-Stage, Two-Envelope 2S2E, except for the selection of individual consultants.

The market has a wide range of products. Therefore, participating bidders must be carefully examined as part of the bid evaluation to ensure that the specifications of the proposed products meet the requirement set for project.

## **Standard Bidding Documents and Contract Forms**

All packages will use the IFAD standard bidding documents until the national standard bidding documents are assessed by IFAD and found acceptable for use in IFAD-financed projects.

## **Contract Management Approach**

The rehabilitation buildings and other construction works will be undertaken following technical specifications provided by designs, including the proposed measures for mitigation of environmental, social and climate risks contained in the SECAP guidelines. The construction process will adjust and align with any unforeseen situation, after discussion with the design engineers. A construction manager will be employed or an officer with similar expertise will be assigned to monitor and manage the works packages to ensure the risk to quality through non-performance is mitigated.

Monitoring and managing supplier performance should be a priority for the big ticket contracts due to the high value and the risks associated with the procurement. Close monitoring of the

contracts should enable the Project to clearly identify and resolve problems that may occur during implementation and to provide an opportunity for the contractor to improve performance during the period of the contract.

There will need for putting in place a contract management plan containing clear administrative procedures for managing contract activities. This is especially critical for consultancy contracts since they form the bulk of contracts for the project during the first 18 months both in sheer numbers and in value.

All goods and non-consulting contracts will also be monitored to ensure that contract deliverables are fully received and inspected prior to acceptance and that there are no outstanding claims for missing or damaged items against the supplier or service provider.

### Procurement Approach for big ticket contracts

Table 4. Development of mangrove seedlings (\$1,400,000).

<b>Attribute</b>	<b>Selected arrangement</b>	<b>Justification Summary/Logic</b>
<b>Specifications (SECAP compliance)</b>	Performance	Will allow contractors to suggest innovative solutions. Ensure simple and faster evaluation.
<b>Sustainability Requirements</b>	Yes	To address SECAP requirements.
<b>Contract Type</b>	traditional	Clarity about precise requirements and how much it is likely to cost.
<b>Pricing and costing mechanism</b>	Lump sum	Contract scope and schedule can be well defined.

<b>Supplier Relationship</b>	Collaborative	Facilitates close interactions and open communication to ensure quality and consistency during contract implementation.
<b>Price Adjustments</b>	None, fixed	Cost estimation with accuracy.
<b>Form of Contract (Terms and Conditions)</b>	Special conditions of contract  Contract documents; contract price; payment; correcting defective work; anticorruption and other prohibited practices; Performance security, Insurance; Liquidated damages; dispute resolution; use of sub-contractors.	Stipulates and allocates risks and obligations clear manner to ensure they are well understood, and that contractual provisions for resolving any issues that may arise are well settled understood.
<b>Selection Method</b>	Requests for Bids (RFB)	Most relevant and applicable method.
<b>Selection Arrangement</b>	Commercial Practices	Promote efficiency and value for money.
<b>Market Approach</b>	A. Type of Competition 1. Open B. Number of Envelopes/Stages 1. Single Envelope  c. Negotiations (Yes)	Encourages many contractors to participate including foreign firms.
<b>Pre / Post Qualification</b>	Post-Qualification	Facilitates quick issuance of tenders; avoid delay in the initial issue of tenders.
<b>Consultant Selection &amp; Evaluation Method</b>	N/A	N/A
<b>Evaluation of Costs</b>	Adjusted Bid Price (corrected for a bidder's minor deviations)	To correct any errors in bids.
• <b>Domestic Preference</b>	No	Use of preferences will discriminate against foreign firm in NCB procedures.
• <b>Rated Criteria</b>	Criteria to be used (mandatory/desired):  Adherence to specifications; Bidder's qualifications and capacity and history of previous work of a similar nature; timeliness/delivery.	establishes a clear evaluation and selection process; ensures the process is fair, open and transparent.

Table 5: Consultancy to develop fishing management plans for fishing zones (\$923,000)

Attribute	Selected arrangement	Justification Summary/Logic
<b>Specifications (SECAP compliance)</b>	Conformance	ToR specifies the expectations/outputs to be met.
<b>Sustainability Requirements</b>	No	Environmental/social impact of the activity may be negligible.
<b>Contract Type</b>	Traditional/consultancy contract	Identifies, defines risks and responsibility allocation .
<b>Pricing and costing mechanism</b>	Lump sum	The nature of the requirement can be adequately defined with a high degree of accuracy in the estimation of costs for the requirement.
<b>Supplier Relationship</b>	Collaborative	Facilitates open communication and transparency; allows Client to share their vision with the team, and align the interests of the stakeholders; ensure quality and consistency during contract implementation.
<b>Price Adjustments</b>	None, fixed price.	Short term contract, price non-adjustable.
<b>Form of Contract (Terms and Conditions)</b>	Special conditions of contract:  Contract documents; contract price; Terms of payment; dispute resolution; entry into force; contract term; liquidated damages.	Stipulates and allocates risks and obligations clear manner to ensure they are well understood, and that contractual provisions for resolving any issues that may arise are well settled understood.
<b>Selection Method</b>	Requests for Bids (RFB)/RfP	Most relevant and applicable method.
<b>Selection Arrangement</b>	Commercial Practices	Promote efficiency and value for money.
<b>Market Approach</b>	Type of Competition: Open  Number of Envelopes/Stages: Two Envelopes	Encourages many consultants to participate including foreign firms.



	Negotiations : Yes	
<b>Pre / Post Qualification</b>	Post-Qualification	Facilitates quick issuance of tenders; avoid delay in the initial issue of tenders.
<b>Consultant Selection &amp; Evaluation Method</b>	Quality Cost Based Selection (QCBS)	Provides for evaluation of quality first prior to financial evaluation.
<b>Evaluation of Costs</b>	Adjusted Bid Price	corrected for a bidder's minor deviations.
<ul style="list-style-type: none"> <li><b>Domestic Preference</b></li> </ul>	No	Use of preferences will discriminate against foreign firms.
<ul style="list-style-type: none"> <li><b>Rated Criteria</b></li> </ul>	Criteria to be used (mandatory/desired):  Relevant experience of similar works; Key experience requirements; average annual construction turnover; knowledge of local customs and administrative systems.	Represent the key areas of importance and emphasis to be considered in the selection decision; and establishes a clear evaluation and selection process; ensures the process is fair, open and transparent.

Table 6: Construction and deployment of FADS and artificial reefs (\$700,000)

Attribute	Selected arrangement	Justification  Summary/Logic
<b>Specifications (SECAP compliance)</b>	Performance	Will allow contractors to suggest creative solutions. Ensure simple and faster evaluation.
<b>Sustainability Requirements</b>	Yes	To address SECAP requirements; allow contractors to innovate;
<b>Contract Type</b>	Design and Build	Identifies, defines risks and responsibility allocation .

<b>Pricing and costing mechanism</b>	Cost plus	Provide flexibility to build the project for a stipulated sum or on a cost-plus-fee basis, possibly with a guaranteed maximum price.
<b>Supplier Relationship</b>	Collaborative	Facilitates open communication and transparency; allows Client to share their vision with the team, and align the interests of the stakeholders; ensure quality and consistency during contract implementation.
<b>Price Adjustments</b>	None, fixed price.	The guaranteed maximum price sets the ceiling for the construction project price.
<b>Form of Contract (Terms and Conditions)</b>	Special conditions of contract:  Contract documents; contract price; Design-Builder's fee; Cost of the work; correcting defective work; office personnel; contingency; non-reimbursable cost; anticorruption and other prohibited practices; Warranty; Liquidated damages; legal costs; defending patent infringement claims, dispute resolution; savings.	Stipulates and allocates risks and obligations clear manner to ensure they are well understood, and that contractual provisions for resolving any issues that may arise are well settled understood.
<b>Selection Method</b>	Requests for Bids (RFB)	Most relevant and applicable method.
<b>Selection Arrangement</b>	Commercial Practices	Promote efficiency and value for money.
<b>Market Approach</b>	Type of Competition: Open  Number of Envelopes/Stages: Single Envelope  Negotiations : Yes	Encourages many contractors to participate including foreign firms.
<b>Pre / Post Qualification</b>	Post-Qualification	Facilitates quick issuance of tenders; avoid delay in the initial issue of tenders.
<b>Consultant Selection &amp; Evaluation Method</b>	Quality Cost Based Selection (QCBS) – for the design consultant	Provides for evaluation of both quality and price

<b>Evaluation of Costs</b>	Life Cycle Costs	Enables assessment of total cost of facility ownership
• <b>Domestic Preference</b>	No	Use of preferences will discriminate against foreign firm in NCB procedures.
• <b>Rated Criteria</b>	Criteria to be used (mandatory/desired):  Relevant experience of similar works; Key experience requirements; average annual construction turnover; knowledge of local customs and administrative systems.	Represent the key areas of importance and emphasis to be considered in the selection decision; and establishes a clear evaluation and selection process; ensures the process is fair, open and transparent.

### Review by IFAD of procurement decisions

The table below indicates the initial values for prior review by IFAD. All activities estimated to cost below these amounts shall be subject to post review.

Table 7: Procurement & Related Thresholds and Prior Review Thresholds for the project in US\$

<b>Expenditure Category</b>	<b>Contract Value Threshold (USD)</b>	<b>Procurement/ Selection Method</b>	<b>Prior Review Thresholds</b>
<b>Works</b>	≥1,000,000	ICB, Domestic preference allowed.	≥ 150,000
	< 1,000,000	NCB	
	≤ 250,000	Shopping	

	For values indicated in the PAL and in the PP with due justification	Direct Contracting	
<b>Goods</b>	≥ 200,000	ICB, Domestic preference allowed.	≥ 70,000
	< 200,000	NCB	
	≤ 100,000	Shopping	
	For values indicated in the PAL and in the PP with due justification	Direct Contracting	
<b>Consulting Services and non-consulting services</b>	≤ 70,000	CQS and ICS	≥ 60,000
	< 150,000	LCS and FBS	
	≥ 150,000	QCBS	
	≥ 150,000	Shortlisting	
	For values indicated in the PAL and in the PP with due justification	SSS	

**Supervision Plan**

In addition to prior review supervision, IFAD will undertake twice yearly supervision and implementation support missions to review project implementation status and provide technical support and quality assurance of the assessment. The supervision missions will:

- (i) verify that the procurement and contracting procedures and processes followed for the projects were in accordance with the Financing Agreement and the Procurement Arrangements Letter;
- (ii) verify technical compliance, physical completion and price competitiveness of each contract in the selected representative sample;
- (iii) review and comment on contract administration and management issues as dealt with by the PMU;
- (iv) review capacity of the PMU in handling procurement; and
- (v) identify improvements in the procurement process in the light of any identified deficiencies.

IFAD will also closely monitor the project through reports and a project mid-term review.

Annual financial audits will be conducted and financed by the Fund. A project completion report will be prepared to evaluate progress against outputs and outcomes and draw lessons for possible follow-up operation.

### **Capacity Building for implementing agency**

Both the staff of the Implementing Agency (IA) and the PMU staff will need induction training on applicable rules and regulations, guidelines and procedures in order to:

- i) get acquainted with the procurement guidelines, procedures and processes; and
- ii) get a clear understanding of the role that procurement will play in prior to project start up and during project implementation; and
- iii) ensure close coordination of effort of all participants.

There will be a further need for an extensive training programme for IA and PMU staff to build and strengthen the PMU Capacity to address the following areas identified during the assessment of implementing agency capacity needs:

- i) IFAD Procurement guidelines and Handbook (including the Procurement Arrangements Letter)
- ii) Use of the OPEN system

- iii) Procurement planning including development of the Procurement Planning Strategy, contract packaging, selection of procurement methods, thresholds and prior review (including prior review documentation).
- iv) Bidding process and contract award procedures
- v) Contract management and use of the contract monitoring tool
- vi) SECAP performance standards
- vii) Record keeping and information management

**VI) Responsibility Matrix for development of the PPS (Stage I of the project’s design phase)**

o Table 8: Responsibility Matrix for the preparation of the procurement part of IFAD’s PDR

<b>SPO</b>	<b>IFAD Proc. Specialist/ consultant</b>	<b>CD or CPM</b>	<b>OPR</b>	<b>National Stakeholders</b>	<b>ESS Specialist/s</b>	<b>IA of Beneficiary Government</b>
A	R	C	C	C and I	C	C and I

Where: **A** stands for oversight / approval and accountability for finalization of the PDR for DRM submission

**R** stands for responsibility to conduct the task

**C** stands for the need to consult with this party

**I** stands for the party being informed about the conduct and result of the project’s procurement design tasks.

**VII) Lessons Learned and challenges from previous projects implemented**

Procurement action should be started as early as possible and the Project should ensure adequate transparency in the bidding process. Information should be provided to bidders during bid preparation stage to increase bidders’ confidence in fair treatment and timely decision-making process, increasing the attractiveness of participating in the Bid. Site availability and construction drawings should be provided in a timely manner. Measurements and payments should be timely.

For future projects, the Government must negotiate and adopt, jointly with the financiers, mechanisms that allow covering expenses in full, including VAT and other taxes, to guarantee the implementation of the activities without interruption and the sustainability of the contractors and other service providers.

The completion of works started and not completed due to insufficient funds, continuity of institutional presence in the field (assistance and monitoring of beneficiaries of project interventions), given their high level of impact, must be followed up immediately, integrated into new projects, or through the State Budget.

## **Appendix 7: SECAP Risks and Procurement Actions**

### **SECAP Assessment Risks relevant to Procurement**

The SECAP assessment flagged some risks that the mission considered relevant for procurement, those risks are addressed in the bidding documents (e.g. choice of bidding document, requirements for bidder qualifications, technical specifications, specific contract conditions etc. The SECAP risks relevant to procurement are highlighted under the following categories:

- SECAP Standard 1: Biodiversity conservation
- SECAP Standard 2: Resource efficiency and pollution prevention
- SECAP Standard 3: Labour and working conditions
- SECAP Standard 4: Community health and safety

The detailed risks are listed below along with the proposed mitigation measures to be considered during project procurement implementation.



**Environmental and Social Safeguards**

			Guidances for SPOs	
Biodiversity conservation	Risk Rating	Consequence		Mitigation Measures

<p>1.8 Could the project involve or lead to procurement through primary suppliers of natural resource materials?</p>	<p>Substantial</p>	<p><b>Moderate</b></p> <p>Project requires procurement of natural resources through primary suppliers, and resource extraction is tightly regulated</p>	<p>Specifications should include any minimum environmental standards and clauses to be included in bidding documents and contracts to procure sustainably produced timber for the boats</p>	<p><b>Technical specification:</b> Feasibility of prescribing eco-labelled products and legally sourced timber for construction and furniture (certified to be from sustainable forests).</p> <p><b>Bidder qualifications:</b> Previous work experience in similar environments with endangered fauna and flora, especially for High and Substantial Risk contracts.</p> <p><b>Bidding documents:</b> To consider eco-label specification as "minimum specification."</p> <p><b>Contract Contract:</b> Use of IFAD/ International Federation of Consulting Engineers (FIDIC) version of contract for international competitive bidding (ICB) contracts above US\$5 million.</p> <p>Use of IFAD non-FIDIC bidding document for ICB contracts underUS\$5 million</p>
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Resource Efficiency and Pollution Prevention	Risk Rating	Consequence	Guidances for SPOs	Mitigation Measures
2.1 Could the project involve or lead to the release of pollutants to the environment due to routine or non-routine circumstances with the potential for adverse local, regional, and/or transboundary impacts?	Substantial	<p><b>Moderate</b></p> <p>Pollutants may possibly be released, either routinely or by accident, but treatment systems are proven and verified. Receiving environment is highly sensitive.</p>	<p>During needs analysis procurement officers should explore any environmental impact associated with the good or services and the estimated level of the risk associated with the environmental impacts</p>	<p><b>Technical specification:</b> Prescribe eco-labelled products that minimizes hazardous substances/emissions</p> <p><b>Bidder qualifications:</b> To consider eco-label specification as "minimum specification.</p> <p><b>Bidding documents:</b></p> <p>This IFAD document is to incorporate:</p> <ul style="list-style-type: none"> <li>— CESCMP compliant with the borrower-prepared overall project ESCMP and the requirements of the works;</li> <li>— Contractor's staff code of conduct;</li> <li>— Contractor's HSMP.</li> </ul> <p>Use of IFAD non-FIDIC bidding document for contracts under US\$5 million; OR borrower's national bidding documents (supplemented by SECAP Standards as an annex*), as prescribed in IFAD Procurement Manual and Procurement Handbook.</p> <p><b>Contract Contract:</b></p> <p>Use of IFAD/FIDIC version of contract for ICB contracts above US\$5 million.</p>

<p>2.3 Could the project involve or lead to engagement in areas of forestry, including the harvesting of natural forests, plantation development, and/or reforestation?</p>	<p>Moderate</p>	<p><b>Minor</b></p> <p>Only a small component of the project is focused on forestry, and this aspect is well regulated.</p>	<p>Specify timber and wood-based products that are eco-friendly, legally harvested and derived from sustainably managed forests. This applies to any building material and timber for making boats.</p>	<p><b>Technical specification:</b> Feasibility of prescribing eco-labelled products and legally sourced timber for construction and furniture (certified to be from sustainable forests).</p> <p><b>Bidder qualifications:</b> Previous work experience in similar environments using timber and wood products as primary raw material.</p> <p><b>Bidding documents:</b></p> <p>Bidding documents will prescribe compliance with national environmental laws supplemented by SECAP Standard 2 requirements as relevant. This is informed by the project's overall ESCMF as prepared by the borrower and accepted by IFAD.</p> <p>Use of IFAD non-FIDIC bidding document for ICB contracts under US\$5 million</p> <p>OR</p> <p>borrower's national bidding documents (supplemented by SECAP standards), as prescribed in IFAD manual &amp; procedures of the IFAD Procurement Handbook. The supplementary SECAP requirements will be in the form of an annex to the particular conditions of contract and/or higher bidder qualifications, as relevant.</p> <p><b>Contract Contract:</b> Use of IFAD/FIDIC version of contract for ICB contracts above US\$5 million.</p>
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<p>2.4 Could the project involve or lead to significant consumption of raw materials, energy, and/or water?</p>	<p>Substantial</p>	<p><b>Moderate</b></p> <p>The project will require consumption of raw materials, energy, and/or water. This will be a significant component of the project, but impacts can be appropriately managed.</p>	<p>Energy can be required for markets, processing plants and boats. Procure energy efficient products with relation to GHG emissions, solid waste, water pollution. Use as much as possible performance based specifications</p>	<p><b>Specifications</b> in the bidding documents for work will consider ambient conditions and require use of technically and financially feasible resource efficiency and pollution prevention measures.</p> <p><b>Bidding documents:</b> will prioritize energy saving solutions and prescribe compliance with national environmental laws supplemented by SECAP Standard 2 requirements as relevant. This is informed by the project's overall ESCMF as prepared by the borrower and accepted by IFAD.</p> <p><b>Bid evaluation:</b></p> <p>Bidders proposing renewal and/or energy saving solutions will receive more technical merit points in bid evaluation.</p> <p>Use of IFAD non-FIDIC bidding document for ICB contracts under US\$5 million</p> <p>OR</p> <p>borrower's national bidding documents (supplemented by SECAP standards), as prescribed in IFAD manual &amp; procedures of the IFAD Procurement Handbook. The supplementary SECAP requirements will be in the form of an annex to the particular conditions of contract and/or higher bidder qualifications, as relevant.</p>
<p>Cultural Heritage</p>	<p><b>Risk Rating</b></p>	<p><b>Consequence</b></p>	<p><b>Guidances for SPOs</b></p>	<p>Mitigation Measures</p>

<p>3.1 Could the project be located in areas that are considered to have archaeological (prehistoric), paleontological, historical, cultural, artistic, and religious values or contains features considered as critical cultural heritage?</p>	<p>Moderate</p>	<p><b>Minor</b></p> <p>The project is thought to be close to an area that is considered to have archaeological (prehistoric), paleontological, historical, cultural, artistic, and religious values or contains features considered as critical cultural heritage. The site has been comprehensively surveyed, and all tangible and intangible cultural heritage is well known.</p>	<p>Technical specifications to provide that the projects facilities and structures should not have negative impacts on cultural heritage; -Bidding documents to provide that contractors will have previous work experience in similar environments;and -Contract clauses to require compliance with national legislation relating to preservation of cultural heritage.</p>	<p><b>Technical specification:</b> Encourage use of local knowledge (intangible heritage).</p> <p><b>Bidder qualifications:</b> Previous work experience in similar projects in the vicinity or likelihood of presence of tangible heritage sites.</p> <p><b>Bidding documents:</b> Bidding documents will prescribe compliance with national laws pertaining to cultural heritage supplemented by SECAP Standard 3 requirements, as relevant. This is informed by the project's overall ESCMF, as prepared by the borrower and accepted by IFAD.</p> <p>Use of IFAD non-FIDIC bidding document for ICB contracts under US\$5 million; OR borrower's national bidding documents (supplemented by SECAP standards) as per thresholds prescribed in IFAD Manual &amp; procedures in IFAD Procurement Handbook. The supplementary SECAP requirements will be in the form of an annex to the particular conditions of contract and/or higher bidder qualifications, as relevant.</p> <p><b>Contract Contract:</b> Incorporate safeguards to protect "chance finds".</p>
<p>3.6 Could the project involve or lead to utilization of tangible and/or intangible forms (e.g. practices, traditional knowledge) of Cultural Heritage for commercial or other purposes?</p>	<p>Moderate</p>	<p><b>Minor</b></p> <p>The project is located in an area that is considered to be of high cultural heritage value, but the project has no commercial value or interest.</p>	<p>Contracts to include a clause for the safeguard and non-exploitation of tangible/intangible assets of cultural heritage.</p>	<p><b>Technical specification:</b> Encourage use of local knowledge (intangible heritage).</p> <p><b>Bidder qualifications:</b> Previous work experience in similar projects in the vicinity or likelihood of presence of tangible heritage sites.</p> <p><b>Bidding documents:</b> Bidding documents will prescribe compliance with national laws pertaining to cultural heritage supplemented by SECAP Standard 3 requirements, as relevant. This is informed by the project's overall ESCMF, as prepared by the borrower and accepted by IFAD.<b>Contract Contract:</b> Incorporate safeguards to protect "chance finds".</p>
<p>Labour and Working Conditions</p>	<p><b>Risk Rating</b></p>	<p><b>Consequence</b></p>	<p><b>Guidances for SPOs</b></p>	<p>Mitigation Measures</p>

<p>5.4 Could the project: (a) operate in a sector, area or value chain where producers and other agricultural workers are typically exposed to significant occupational and safety risks, and/or (b) promote or use technologies or practices that pose occupational safety and health (OSH) risks for farmers, other rural workers or rural populations in general? (Note: OSH risks in agriculture might include: dangerous machinery and tools; hazardous chemicals; toxic or allergenic agents; carcinogenic substances or agents; parasitic diseases; transmissible animal diseases; confined spaces; ergonomic hazards; extreme temperatures; and contact with dangerous and poisonous animals, reptiles and insects. Psychosocial hazards might include violence and harassment.)</p>	<p>Moderate</p>	<p><b>Minor</b></p> <p>The project operates in a sector, area, or value chain where workers are occasionally exposed to significant OSH risks, and where regulation is known to be effective.</p>	<p>The contractors should employ preventive and control measures consistent with legislative requirements and good international practices. In the bidding documents include a requirement for suppliers and contractors to be registered with the national occupational health and safety authorities</p>	<p><b>Technical specification:</b></p> <p>Feasibility of prescribing safe labelled products.</p> <p><b>Bidder qualifications:</b></p> <p>Previous work experience in similar environments</p> <p><b>Bid evaluation:</b></p> <p>Higher-quality contractor HSMPs will receive more technical merit points in bid evaluation.</p> <p><b>Contract conditions:</b></p> <ul style="list-style-type: none"> <li>-Requirement for contractor HSMP;</li> <li>-Contract conditions to include conditions to ensure a healthy and safe work environment and safe systems of work for site workers and the community.</li> </ul>
<p>Community Health, Safety and Security</p>	<p><b>Risk Rating</b></p>	<p><b>Consequence</b></p>	<p><b>Guidances for SPOs</b></p>	<p>Mitigation Measures</p>



<p>6.5 Could the project involve or lead to transport, storage, and use and/or disposal of hazardous or dangerous materials (e.g. explosives, fuel and other chemicals during construction and operation)?</p>	<p>Moderate</p>	<p><b>Minor</b></p> <p>The project has only minor involvement with the transport, storage, and use and/or disposal of hazardous or dangerous materials, and regulation of hazardous materials is effective.</p>	<p>Bidding documents and contract clauses should include requirements for proper transport, packaging and storage of hazardous or dangerous materials</p>	<p><b>Technical specification:</b></p> <p>Feasibility of prescribing safe labelled products.</p> <p><b>Bidder qualifications:</b></p> <p>Previous work experience in similar environments</p> <p><b>Bid evaluation:</b></p> <p>Higher-quality contractor HSMPs will receive more technical merit points in bid evaluation.</p> <p><b>Contract conditions:</b></p> <ul style="list-style-type: none"> <li>-Requirement for contractor HSMP;</li> <li>-Contract conditions to include conditions to ensure a healthy and safe work environment and safe systems of work for site workers and the community.</li> </ul>
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## **Annex II - ToRs for the procurement of a COI baseline survey**

### **1. BACKGROUND AND CONTEXT**

#### **General presentation of the project:**

The Propeixe Project will support the artisanal fisheries value chain in a selected number of provinces of Mozambique.

#### **Institutional framework:**

The overall programme coordination will be under the Ministry of Sea, Inland Water and Fisheries (MIMAIP). A Project Steering Committee (PSC) will be established to provide the oversight function chaired by the Permanent Secretary of the Ministry of Sea, Inland Waters and Fisheries and composed of members from institutions with direct relevance for the achievement of PROPEIXE objectives (e.g. MEF, MOPHRH, MIREME, MTC, MTA, etc.). Provincial PSCs (PPSCs) will be established; they will be led by the Provincial Governor and their composition and tasks will mirror those of the PSC.

Other MIMAIP departments, as well as other institutions in the sector will also participate directly or indirectly in the implementation of the project: (i) the ADNAP which supervises the fisheries management system in a co-management framework in which grassroots community organizations will be increasingly involved, (ii) the INOM, which should provide information on the potential and state of exploitation of the resources targeted by artisanal fishing, (iii) the INIP, which should assume a role in defining quality standards for traditional products and the new products resulting from the promotion of open sea fishing, the use of ice, improved processing practices and cold conservation, and eventually, (iv) School of Fisheries and PROAZUL.

### **DESCRIPTION OF THE PROJECT**

#### **Project Objectives**

The PROPEIXE goal is “sustainably increase the incomes, nutrition and food security by addressing the main barriers to sustainable production and marketing for artisanal fisheries”. The Project Development Objective (PDO) will be to “increase the sustainability of fishery value chain returns, by promoting responsible fisheries, community conservation and restoration of ecosystems and biodiversity, while also supporting fishery community resilience through diversification of livelihoods”.

### **Duration of the Project**

The PROPEIXE will be implemented over a 7-year period.

### **Project Area:**

The Project will target coastal areas in the following provinces: Maputo, Gaza, Inhambane, Sofala, Zambézia, Nampula and Cabo Delgado.

### **Target group:**

The target group of the Project consists of: a) Small-scale artisanal fishers (i.e. men and women that are either small boat owners, crew members, intertidal collectors) that will be dealt with either as individuals or as groups. This is the primary target group and may include households engaged in the fishery sector (production side) from different socioeconomic levels: more resilient households owning assets and having easier access to market and credit as compared to others (more vulnerable) which represent the majority.

**Vulnerable households** from fisher communities not directly engaged in fishing but interested to engage in economic activities along selected links of the fisheries value chain or develop alternative income generating activities. This group includes (i) unemployed youth interested in establishing business enterprises to respond to market demand for fishery products and services; (ii) women and women headed households (WHHs) who are directly involved in fish processing and other income generating activities and (iii) Internally displaced people (IDP) with specific focus on youth from this category. Targeted households face different degree of poverty, food and nutrition insecurity and vulnerability, ranging from ultra-poor and vulnerable to transitory poor. Focus will be given to households with highest level of poverty, women headed households and IDPs. The project will also make extra effort to identify suitable activities to directly involve persons with disabilities (PWD) as part of income generation.

**Targeting and gender strategy:** The project will use a variety of mechanisms to ensure that the target households and the vulnerable (i.e. women-head households) have access

to Project benefits. The targeting strategy will be guided by the following targeting mechanisms: a) self-targeting measures to ensure that Project interventions respond to the priorities and livelihood strategies of the target groups. The strategy will also ensure that selected entrepreneurial activities are suitable for all groups, in particular women and the youth; b) direct targeting mechanism, will ensure that specific groups, particularly the vulnerable and disadvantaged, including persons with disabilities (PwD) are selected to participate in Project interventions where possible. The Project will employ inclusive targeting mechanisms to ensure the participation of poor and vulnerable households with a specific focus on poor rural households whose livelihoods revolve around the use of the natural resources of the coastal areas.

**Gender, youth, nutrition, and social inclusion.** The gender and social inclusion strategy should consider lessons from existing and previous IFAD experiences in the country and support women and youth from fisher communities in accessing key resilient technologies (e.g. energy efficient stoves), equipment, financial and non-financial services to increase fish production and productivity and enhance resilience. Use of gender action learning system (GALS) approach, and nutrition interventions using a Nutrition Sensitive Value Chain will be promoted alongside gender positive social norms.

Specifically the project will: (i) conduct training and awareness raising in gender transformative participatory approach; (ii) ensure women and youth have representatives positions in decision making in committees/boards such as CCPs (iii) ensure equitable participation (min 50%) of women and promote participation of youth in accessing project services and training for improved fisheries practices, as well as economic diversification, business advisory services and wage and job creation for youth (rural enterprise development and employment creation). Women will be mobilized to become members of Credit and Saving Groups (PCRs). These sessions will be used as an entry point for topics such as nutrition, and empowerment of women using gender action learning system (GALS) modules. The project will encourage interventions that promote nutritionally diverse and rich foods through nutrition education.

### **Theory of change:**

The key challenges for the artisanal fisheries sector and artisanal fisheries communities that the project will address are: the degradation of natural resources and its negative impact on fisheries stocks, low profitability of the fishing activity due to inefficiencies and value chain fragmentation, as well as low food quality and safety standards, inadequate consumption of fish as part of diets, mobility of youth away from the sector and invisibility of women's contribution to production and post-harvest activities, vulnerability of value

chain infrastructure due to climate impacts, and the need to strengthen the capacity of relevant Government institutions in the delivery of last mile services.

Therefore, under **Component 1: Resilient and sustainable fisheries ecosystems** the project will address the challenge of natural resource degradation by laying the foundation for sustainably managed and climate-resilient fisheries through community management. To do this, under **Sub-component 1.1: Resilient artisanal fisheries and ecosystem management:** project interventions will strengthen existing and create new Fisheries Community Councils (CCPs) to develop and implement fisheries management plans, as well as Early Warning Systems (EWS) to increase resilience and mitigate risk. It will also pilot new fishing techniques and practices that improve both economic and resource sustainability of catches.

Under **Component 2: Inclusive fisheries value chain development** the project will address climate vulnerability and management challenges related to fishery infrastructure, as well as inclusive business development and diversified, resilient livelihoods.

**Sub-component 2.1: Value chain driven, and climate resilient infrastructure development** will focus on developing a private sector-driven and sustainable fisheries VC, built on the concept of climate resilience and inclusion. This will be achieved through support for the development of successful public-private partnership (PPP) or 4P market management models, including improved climate resilience of constructed and new connecting roads. Further to this, under **Sub-component 2.2: Entrepreneurship and livelihoods diversification** interventions will focus on the promotion of emerging local entrepreneurs and Micro Small and Medium Enterprises (MSMEs), through basic business management skills development, especially for youth and women. Support will extend along the fishery value chain, including piloting mariculture start-ups and supporting auxiliary services, such as mechanics, boat building, ice-making etc. It will also address the need for diversification of local livelihoods towards ensuring food and nutrition security by promoting alternative types of food production and reducing the dependency on fish protein in local diets. The project will engage in entrepreneurship development that enables access to finance and provides opportunities for women and youth, as well as Internally Displaced People (IDPs).

### **Components and main activities**

The Project will include three components: (i) Component 1: Resilient artisanal fisheries and ecosystem management; (ii) Component 2: Inclusive fisheries value chain

development and livelihood diversification and (iii) Component 3: Institutional strengthening, project management and policy

### **Component 1: Resilient artisanal fisheries and ecosystem management**

The outcome of component one will be a more productive and resilient coastal fishery. The component will strengthen Fisheries Community Councils (CCPs) and new CCPs formed to better manage fisheries. To do this, the CCPs, the local government, and the National Fisheries Administration (ADNAP) will collaborate to create fisheries management plans for each fishing zone based on terms agreed upon by all parties. Mangroves, coral reefs, seagrass beds, and estuaries will all be highlighted in these plans as high-priority places in need of restoration and protection through ecosystem-based approach. Sustainable fishing methods, including the use of selective fishing gear, minimum size limitations, and monitoring of artisanal catches will be promoted.

This will involve improving the fishing systems, for example: carrying out fishing trials and demonstrations on improved fishing methods and techniques, assessing their technical, economic, and social feasibility, disseminating the results at village level and providing extension services for uptake of those operations that have proved to be successful. To assist wider adoption, the project will also provide training in key associated areas such the use of fishing and navigation aids and safety at sea requirements, and provide financial support for investments in improved boats, fishing gear and other required accessories. The installation of a limited number of fish aggregating devices (FADs) in selected sites will be also supported to help reduce operating costs and maximize revenues.

In line with provisions of the new Maritime Fisheries Regulations (REPMAR) that ban fishing with beach seines from January 2024, PROPEIXE will support fishers' transition from to beach seines with appropriate fishing gear, thus helping speed up expansion of open sea fishing and, therefore, reduction of pressure on near shore fishing areas. Implementation of these activities will be led by IDEPA and involve InOM and the Fisheries School. Support for replacement of beach seines will take place working in partnership with NGOs and other partners already involved in similar operations. To encourage the use of energy-efficient cook stoves and to take part in carbon markets to lessen deforestation and increase carbon sequestration.

This sub-component will also support the deployment of Disaster Early Warning System (EWS) in the fishery sub-sector, as well as raise awareness and pilot relevant asset insurance schemes for greater resilience. Training and capacity-building will be provided

to enhance fishers' skills and knowledge of sustainable practices. In addition, this subcomponent will foster collaboration and knowledge exchange by promoting learning networks and platforms for sharing best sustainable practices, experiences, and lessons learned.

Sustainable fishing activities and other forms of livelihoods that emerge through the piloting under this component, which develop beyond household subsistence needs, will graduate towards Component 2, sub component 2.2 to receive entrepreneurship development support.

## **Component 2: Inclusive fisheries value chain development and livelihood diversification**

The outcome of this component will be the improved resilience and profitability of artisanal fisheries derived income and local livelihoods. The component focuses on developing a sustainable fisheries value chain built on the concept of climate resilience and environmental sustainability, provision of inputs and services and promotion of market linkages. The outcome of the component is to increase the volume and value fish traded from the artisanal fisheries subsector through development of climate resilient infrastructure and the promotion of enhanced artisanal fisheries production, post-harvest and marketing of fish, including development of supporting services and increased access to finance. The component has two subcomponents, namely:

### **Sub-component 2.1: Sustainable entrepreneurship and livelihoods development**

Sub component 2.2 will aim to develop economically viable local activities along the fishery value chain, as well as alternative income-generation / livelihoods options can take the pressure off the fishery resources and ensure food and nutritional security.

Entrepreneurial ventures, both by groups or individuals, related to production, will focus on contribution to support fishers' efforts to replace beach seines with appropriate fishing gear, thus helping speed up expansion of open sea fishing and, therefore, reduction of pressure on near shore fishing areas. Expansion of fishing operations in the open sea to target new fishing grounds / fish species.

Individual or group MSMEs focusing on post-production activities along the value chain, will also be supported with the focus being on the improvement of food quality and safety, through training in improved handling techniques and storage.

In addition, local businesses that offer auxiliary services such as boat building, mechanics and ice-making, among others, will also benefit from business development capacity building that will deploy a graduation approach towards preparing viable business ventures to present bankable credit requests to lenders.

To enable local MSME growth, the project will assist access to financial services by supporting capacity building at all levels of business management and eventually the development of a bankable business plan by the entrepreneurs.

Access to financial services for the investments described above, will be promoted through linkages with existing REFP's and the Blue Economy Development Fund (PROAZUL) initiatives. Under PROPEIXE, a dedicated matching grant fund will be created to meet the specific needs of some target groups of the project, namely women and youth.

To boost livelihood resilience to shocks, reduce pressure on fishing resources (especially where ecosystems are at risks) and to help poor households increase incomes, access nutritious food, the project will invest in livelihood diversification. This will involve supporting women, youth and also Internal Displaced People (IDPs) with income generating activities through training and supporting with dedicated matching grants.

Coastal livelihoods enterprises such as mariculture (e.g. seaweed production, mussels among others) as well as honey production in the mangroves, and micro food businesses (among others) will be promoted on a pilot basis and upscaled based on results.

Activities identification will consider the objectives of (i) improving ecosystem conservation and (ii) improve accessibility and consumption of nutritious food for poor households from fishing communities. An initial inventory of potential activities will be carried out by service providers, also responsible for the social acceptability of activities proposed.

### **Subcomponent 2.2. Value chain driven and climate resilient infrastructure development.**

This sub-component will invest in fish value chain related infrastructure and will support interventions aimed at addressing infrastructure-related constraints faced by artisanal fishers, traders, and other relevant actors operating within the fish value chain. Planned interventions will include supporting climate-resilient and accessible infrastructure investments that: a) can add economic and market value; b) guarantee food safety and extend shelf life; c) upgrade performance and competitiveness of the artisanal fishery sector; and d) improve the resilience, incomes and livelihoods of poor households involved in artisanal fisheries, including women, youth, and persons with disabilities.



The project will mainly invest in: i) development of pilot small-scale and climate resilient fish landing sites, as first points of sale with appropriate management mechanisms in place; ii) support to private sector-led cold chain technology investments, that can provide services for production, storage or marketing; iii) rehabilitation, climate proofing and maintenance of feeder roads connecting landing sites to markets or to the main roads; and iv) review of management modalities and eventual upgrade or restructuring of existing market places including but not limited to the introduction of renewable energy and environment friendly technologies, adequate cold storage, water and sanitation facilities, accessibility facilities to persons with disabilities, etc. The project will also contribute to the extension of the national meteorological network by funding the construction/upgrade and equipment of geographically relevant meteorological stations to support INAM efforts to establish an early warning system.

Under PROPEIXE, a collaborative assessment involving all market users, potential investors and public sector will be conducted to determine current market infrastructure physical state, its value chain and socio-economic role, as well as commercial viability. Where market investments are to be made, Project support will be provided to ensure capacity for engagement between private and public sector and local fishing communities, and the identification and piloting of Public Private Partnership (PPP) or Public Private Producer Partnership (4P) models, that can ensure the appropriate ownership, management and operations responsibilities, framework and benefits, that ensure economic and financial viability as well as inclusivity in the use of these markets. Such management models can be benchmarked against existing regional and international models for fresh food market management, both for retail and wholesale.

Infrastructure development activities will involve, local authorities and decentralized government structures, a series of implementing partners (INFRAPESCA, ANE, etc.) mobilized through adequate MoUs/MoAs and the private sector. In terms of sustainability, stakeholders' capacity (public and private) will be strengthened to enter comprehensive, inclusive and economically viable partnership for management modalities that clearly define the responsibilities, benefits and conditions for participation of each partner.

In fish markets located in rural areas, local authorities and community committees will continue to play a direct role in the PPP management agreement negotiation and conditions, that will identify and transfer operations responsibilities to interested and capable private sector players, who can provide appropriate and affordable services.

## **Sub-component 2.2:**

## **Component 3: Institutional strengthening, project management and policy**

The outcome of this component will be improved public sector support for the long-term sustainable development of the artisanal fishery sector.

### **Sub-component 3.1 Institutional strengthening and policy support**

The project will provide targeted capacity building and strengthen the institutions responsible for artisanal fisheries so that they can fulfil their roles in project implementation and increase their capacity to implement their role and project activities. The strategy for implementation of the project would involve working within government departments and agencies that support artisanal fisheries, using their staff and operation modalities, and as needed, providing additional support to facilitate specific project interventions. In those areas in which either private sector, NGOs or other UN agencies have a comparative advantage, they would be contracted to provide support to the Government.

IDEPA will be the PROPEIXE lead agency. In this capacity, it will be responsible for the overall supervision and implementation of the project activities. To successfully play this role, the project strengthening will include the contribution to restore the capacity of the re-established delegations with the rehabilitation of offices, equipment (furniture and IT), vehicles, motorbikes, working kits for the extension officers and training. At the head office, apart from the institutional support in terms of equipment and vehicles, based on the experience of the previous projects, the project support will include technical support for the operational departments (with technical experts, including one Engineer to be based in INFRAPESCA), and staff and equipment to the PMU. Opportunities to use some technical specialists to cover interventions in both PRODAPE and PROPEIXE will be explored mainly in the areas such: Infrastructure, Knowledge Management, Climate and Adaptation, etc.

PROPEIXE will support IDEPA capacity development through staff trainings, competitive selection for graduate, post-graduate scholarships and exchange visit. In addition, selected youth from the fishing communities will be supported to attend the fisheries school in Maputo to qualify and enhance the capacity of the extension services and support professionalization of the fisheries sector, including the eventual development of private extension services.

The research interventions will be key for the project. InOM, will be mostly on the collection of biological data and other activities, including the hiring of vessels, to allow the assessment of fish stocks that can be accessed from the project area by artisanal fishers, as well as the biodiversity conservation and restauration interventions as detailed in component I. Support to ADNAP will include the scale up of the Open ArtFish statistical

system and the registration of artisanal fishers in order to bring them into the formal economic sector, the strengthening of district capacity to promote co-management arrangements and CCPs. With INIP, the support will be on the establishment quality standards for the national artisanal fisheries value chain, among other activities.

The project will provide support to identified policy areas, which includes (i) the finalization of PESPA II, (ii) the implementation of next fisheries census, (iii) scientific and technical support to the assessment the potentials of fish stocks in areas acceded by artisanal fishers, (iv) organization of the fisheries co-management system at the level of the district, (v) other particularly relevant initiatives that may contribute to support the Sea, Inland Waters and Fisheries in policies and strategies, as well as in the implementation of action plans to further strength the capacity for the sustainable development of the artisanal fisheries in collaboration and partnership with other partners and donors. As well as relevant gender policies to address gender related issues.

### **Sub-component 3.2: Project coordination and implementation support.**

The objective of this subcomponent is to manage the project in an efficient and effective manner by providing overall coordination, including planning and implementation, financial management and control, procurement, M&E, knowledge management, and progress reporting. It will also ensure liaison and linkage with all other relevant projects and programmes being implemented in the country that seek to address similar or related constrains; this would be aimed at taking advantage of existent synergies and avoiding duplications.

In order to facilitate PROPEIXE's effective management and coordination across the provinces, the project will use the existing capacity of the IDEPA, ADNAP and InOM provincial delegations to reach out to district level and local beneficiaries. A Project Management Unit (PMU) will be established under the direct supervision and oversight of IDEPA's Director General, based in Maputo. The PMU will be responsible for the day-to-day management and supervision of the project, under the leadership of a Project Coordinator.

The PMU related costs will be shared between project resources and the GoM (including in-kind). The costs include PMU staff salaries and health insurance, procurement of office equipment, office consumables, procurement and maintenance of vehicles, etc. Apart from the technical specialists to be incorporated in the different IDEPA Departments and INFRAPESCA[1], the PMU will be composed by the following key positions: Project Coordinator; Financial Manager; Procurement Officer; M&E and KM Officer; Social Inclusion Officer (Gender, Youth and Nutrition).

## Budget

**Total project costs** are estimated at US\$60 million over a 7-year period. The breakdown is: IFAD12: US\$ 29.3 million (49%); Government: US\$ 4.0 million (7%); Private Sector: US\$ 4.5 million (8%); Beneficiaries: US\$ 2.2 million (4%); Financing Gap: US\$20 million (33%).

## PURPOSE AND OBJECTIVES OF THE CONSULTANCY

### Purpose

The purpose of the survey is to generate baseline data that will help in assessing the situation at the start of the project, set benchmarks/indicators to inform the M&E function of the project and form a platform for assessing the outcomes and impact of the project. The planned study will consist of quantitative and qualitative information on households regarding the PROPEIXE log-frame indicator. This study constitutes one of the stages of the project evaluation process.

### Objectives

The main objective of this assessment is to conduct a baseline survey to collect project specific data for PROPEIXE. The consultancy will develop the sample design, conduct the data collection, analysis and report writing of the Baseline survey to be used for the project evaluation process. The information to be collected includes information related to project activities in order to derive data on Outcomes and impact.

The survey will measure the baseline values of project outcomes and impact indicators and individual/household characteristics at project start. The baseline survey will be conducted on a sample of Potential beneficiaries from the eligible population. Baseline data provide information on beneficiaries and comparison groups before the Project is implemented and are important to establish benchmark information for selected indicators.

## METHODOLOGICAL REQUIREMENTS FOR QUALITATIVE AND QUANTITATIVE SURVEY

The Project intends to conduct a Baseline survey to obtain quantitative and qualitative data that will enable monitoring and evaluation of the Project's results. The scope of the services required under these Terms of Reference include the collection of data at the appropriate levels of analysis: [Individual/Household/Cooperatives/Rural Enterprises]. The set of indicators to be collected will be based on Project's log-frame indicators. The study will follow a quasi-experimental approach with both a treatment and a control group.

### **Questionnaire and variables**

A draft COI questionnaire will be provided to the firm by the PROPEIXE team. The questionnaire includes questions related to the Core Indicators at outcome level which are present in the PROPEIXE Logframe. These questions should not be rephrased, as they have been designed specifically to collect data on IFAD's Core Indicators at Outcome Level (the so-called COI indicators) – i.e. IFAD's standard indicators, present in all IFAD-supported projects. The questionnaire should be complemented with other questions aimed at collecting information on PROPEIXE's project-specific indicators.

### **Sample frame**

The sample frame is the list of all the units in the desired population, from which random samples of units are selected to build the survey samples. The Project Team will provide project and secondary data for the firm to conduct a listing of potential beneficiaries in order to facilitate the drawing of the sample within the eligible population.

### **Sampling method**

PROPEIXE intends to follow a panel data structure, meaning that the same sample will be used for the baseline, midline and endline surveys. Therefore, the contracted party will maintain an accurate register of households sampled in both the treatment and comparison groups for future reference. The register will be shared with PROPEIXE PCU. The sample will comprise a beneficiary and a control group.

### **Sample size**

The sample should be composed of 750 beneficiary households and 750 control group households. However, considering that the exact households will not have been identified by the time the baseline survey will be conducted, the sample will be composed by 1500

households from PROPEIXE target group in the targeted areas. It is expected that at least half of the sampled households will end up being Project beneficiaries.

### **Probability sampling:**

Probability sampling refers to the sampling method in which all the members of the population have an equal chance to be a part of the sample and it uses random selection to select the sample within the desired population. The sample will contain the same percentage of women and youth as the target beneficiary population: 50% women and 30% youth. The sample will be drawn from the provinces targeted by PROPEIXE.

### **Data quality control**

As data is collected and entered into a storage mechanism, checking for errors and data quality is an important step and sufficient time should be allocated to review the data and assure its quality. The following strategies should be used:

1. Double data entry
2. Spot checking.
3. Sort data to find missing data, outliers, high, or low
4. Use automation, such as drop-down list
5. Format a database to accept only numbers
6. Review data for anomalies.
7. Discuss data discrepancies and/or findings with implementers.

Data-quality checks can be implemented while collecting the data rather than ex-post as in the case of paper-based surveys by using electronic devices for the data collection.

### **Computer entry**

The use of electronic devices and georeferencing is recommended.

### **Analysis and report**

#### **Analysis**

Results should be analysed and presented in these ways:

1. aggregated
2. by age
3. by gender
4. by province

## **Report**

While writing the report, the firm will work in close collaboration with the Project Team and other implementing partners, to enable a learning process and to maximise transparency and accountability.

Once the survey has been conducted and its quality validated, the analysis of the results should be presented in a report. The report summarizes the conclusions emerging from the analysis and includes the following elements:

1. the description of the methodology used
2. the questionnaire
3. the list of villages/communities surveyed
4. the results of the survey
5. the updated logframe with baseline data
6. the analysis and interpretation of the results (detailed analysis with statistical significance and summarized tables for each indicator)
7. The survey database should also be provided to project staff and IFAD.
8. The qualitative data will be presented in a separate chapter.

## **DETAILED LIST OF ACTIVITIES AND DELIVERABLES**

The firm will work in close collaboration with the concerned general experts of the implementing agency and under the supervision of the Project Team and IFAD in the development and supervision of all phases of data collection and following analysis of the dataset.

### **List of activities**

#### **Phase 1 - Inception phase**

Initial situational analysis - review of project materials and data: The Project Team shall be responsible for providing key background documentation to the firm (financing agreements, Logframe, ToC).

To facilitate the drawing of the sample within the eligible population, a listing of potential beneficiaries can be conducted in the field. Enumerators will collect basic information from each household in the enumeration area, taking on average no more than 5 minutes per household to assess household eligibility, basic demographic and re-contact information. The household sample will then be constructed on the basis of this listing. An initial identification and selection of enumeration areas may also be required, for instance, the preliminary listing could be done only on the primary cluster (if clusters are defined in the sampling design).

## **Phase 2 –Sampling strategy and survey instrument development**

- A) Development of the survey questionnaire based on the draft provided by the project.
- B) Development of the sampling design
- C) Clearance by Project Team and IFAD of pilot sampling design and the questionnaire.
- D) Develop interview manuals and instructions for field staff
- E) Training of interviewers for the pilot study.
- F) Pilot study fieldwork.
- G) Revision of the pilot study questionnaires.
- H) Analysis of pilot study results, introducing adjustments to the draft questionnaire.
- I) Development of the Final Questionnaire.
- I) Development of an appropriate data management system with adequate quality controls.
- J) Clearance of the final questionnaire and sampling design by Project Team and IFAD.

## **Phase 3 – Fieldwork Activities**



- A) Preparation for field work (recruitment of interviewers, printing of questionnaires and other fieldwork documents).
- B) Staffing and Enumerator training
- C) Administrative approval from necessary authorities
- D) Qualitative data collection at the appropriate level of analysis: Individual/Household
- E) Data quality control
- F) Quantitative data collection (focus group discussion/semi structured in-depth interviews, etc.)

#### **Phase 4 - Data Processing, Analysis and Final Report Preparation**

- A) Database formation.
- B) Data entry and cleaning.
- C) Statistical analysis of the data.
- D) Preparation of the final report.
- E) Translation of the final report.
- F) Clearance of the report.

#### **Deliverables**

Once selected, the firm will produce the following deliverables for this project:

**Deliverable 1:** Inception report, including: i) Updated working calendar and delivery schedule; ii) survey design describing the sampling strategy, data collection instruments and data entry methodology; iii) Final questionnaire including electronic format (KOBO Toolbox, ODK e.t.c); iv) List of households to be interviewed and list of communities/villages surveyed. The inception report must be submitted to the PCU and to IFAD for review.

**Deliverable 2:** Training manual for field staff and enumerators

**Deliverable 3:** Training of field staff and enumerators

**Deliverable 4:** Draft final survey report, to be submitted to PCU for review

**Deliverable 5:** Final Survey Report Analysis and Reporting

**Deliverable 6:** Clean dataset

The firm should deliver **all the material in electronic format.**

The expected tasks for the firm should be performed in accordance with a mutually agreed schedule. Final deliverables should be submitted according to this schedule and within the limits of the contract duration. Deliverables are subject to agreement by the Project Team and IFAD and preliminary versions should therefore be submitted by the firm in time allowing for comments to be shared and if required changes to be introduced by the firm.

## COMPETENCIES REQUIRED

### Firm expertise and required qualifications

The firm may be national or international. In case an international firm is selected, the international firm must form a joint venture with the local companies in delivering this assignment. The said joint venture must clearly state the roles and responsibilities of each party and should clearly indicate the skills transfer to the local company.

The firm (or the Joint Venture of International firm and Local companies) should collectively possess the following qualifications:

1. Previous experience in carrying out evaluation surveys is a compulsory requirement, including demonstrated experience in designing and conducting evaluations and of organizing surveys on the scale of this project (including survey and sampling design)
2. Strong capacity and experience in planning and organizing survey logistics
3. Good network of experienced enumerators, supervisors and data entry clerks
4. Strong capacity in data management and statistics
5. Strong capacity in survey analysis and reporting of results
6. Strong interpersonal skills and a team-oriented spirit

7. Experience doing household survey work and carrying out evaluations in Mozambique.
8. Strong background in statistics and econometrics.

### **Key staff/ required staff**

The proposed team should consist of qualified and experienced professionals having proven track record in designing and implementing socio-economic and baseline studies and/ or evaluation studies and having good depth of understanding of rural development as well as of and gender and social inclusion. The bidders are expected to propose a study coordinator/Team Leader and appropriate number of experts, field supervisors, enumerators and support staff.

Minimum **key professional staff positions** (recommended):

- I) One study coordinator/team leader:** Advanced degree in economics, statistics, agricultural economics, or related field. At least five years relevant experiences in conducting impact evaluations, large quantitative survey implementation and analysis, experience in household and agricultural data collection and analysis required, ability to coordinate teams and ensure timely reporting.

The study coordinator/Team Leader will be in charge of coordinating the planning, implementation of the studies and ensuring that the work is conducted following the highest professional standards. The individual will be in charge of ensuring that the quality control and supervision mechanism in place for the survey is effective, manage the data collection team and ensure that each member performs their specific scope of work.

- II) One expert in survey implementation and field supervision:** Minimum five years' experience with large survey implementation, experience in implementing household and agricultural surveys required. Preferably with previous experiences in conducting surveys in Mozambique.

- III) One socio-economic researcher:** Advanced degree in economics, agricultural economics or related fields, at least five years' experience in analysing survey data using STATA or equivalent software. Strong background and experience in statistics and econometrics is required. Ability to write clearly and concisely in English. Previous experience in impact evaluation is preferred.

- IV) One Fisheries Researcher:** Advanced degree in Marine biology, Environmental Science, or related. At least five years' experience conducting and analysing fisheries projects.
- V) One computer specialist in data entry and data bases:** Minimum experience of three years with large survey data sets and data entry software required. The data specialist will develop appropriate data management system with adequate quality controls, and finalize the data management system before the data collection team moves to the field. The data management system would also be organized in such a way as to deliver partial datasets on a regular basis to the Project Team.
- VI) Field supervisors:** Minimum of 2 field supervisors should be hired. They should be chosen based on the firm's best practices. Fluency in Swahili is expected at least from all supervisors and all enumerators. At least two years' experience in conducting or managing household surveys is required.
- VII) Survey enumerators:** Minimum of 10-15 enumerators should be hired. Minimum qualifications include knowledge of local language. Preference should be given to candidates with experience in quantitative data collection in rural Mozambique, namely, on the themes of the questionnaire.
- VIII) Data entry technicians:** Minimum qualifications include knowledge of local language and advanced computer skills. Preference should be given to candidates with experience in quantitative data entry and/or previous experience in survey work.

## **ADMINISTRATIVE AND OTHER ASPECTS**

### **Proposal content**

Interested consulting companies should submit their applications consisting of the following documents/information to demonstrate their qualifications:

- a) Technical Proposal** will include: the profile of the company, relevant experience for the assignments, staffing (CV of each team member), proposed methodology to perform the assessment, the size of the sample to be analyzed, the work plan and schedule (activities) and resources (including number of person-day).

- b) Financial proposal** must include the consulting fee and operational expenditures related to the assignment. The survey company will provide a break-down of the budget by the activities mentioned in the Activities section above.

**Indicative example of technical evaluation criteria:**

**Required criteria (Pass or Fail):**

- (i) Firm has at least 5 years of experience in conducting surveys
- (ii) Firm has conducted minimum 3 data collection surveys in the past 5 years

**Evaluation criteria (Weighed Evaluation):**

**(i) Company's experience and expertise in evaluation surveys:** The firm/consortium has robust expertise and previous experience evaluating rural development projects based on households surveys and data.

**(ii) Understanding of the requirements and responsiveness of the proposal:** The firm understands the requirements of the exercise and fulfills expectations in terms of both the proposed methodology and the adequacy of the means proposed to deliver the expected services.

**(iii) Company has experience with data collection and management (using electronic)**

**(iv) Local experience doing household survey work and carrying out evaluations in Mozambique.**

**Conditions for offer's submission**

To be considered interested companies should submit their proposal (technical and financial offer) in original and a copy in separate sealed envelopes. Each envelope will consist of the technical and financial offer sealed in separate envelopes as well (a total of 2 envelopes, each with 2 envelopes inside).

## Selection Process

The consulting company will be selected in accordance with **country's procurement procedures in effect for the Project.**

The final score obtained by each firm being composed of **X %** of the score for the parameter "Quality" (evaluated based on technical bid) and **(100-X) %** - score obtained for the parameter "Cost" (established based on financial bid). The financial offer will be opened only if the provided technical offer will pass the minimum technical score of **xx points.**

Following the baseline study, midline and end line studies will be conducted in the fourth and ninth year of the Project implementation respectively. These three studies are interrelated and the follow up studies (midline and end line) are downstream work. Therefore, for the midline and end line studies, single sourcing will be applied with four conditions. These conditions are:

- I) Good performance as assessed by the client
- II) Continued need
- III) Availability of Funds
- IV) Willingness of the Consultant to accept amendments to the TORs

The mid-line assignment will be confirmed based on the quality and timeliness of the baseline report, and the end-line assignment will be confirmed based on the quality and timeliness of the mid-line report. The assessment will be conducted by the project M&E Specialist, in consultation with other team members (and eventually IFAD), using the criteria presented here below:

- A. Quality of report (80 points)
  - Implementation of methodology as proposed in the RFP: (50%)
  - Completeness of data (all indicators agreed to in the inception report are included): (50%)

B. Timeliness of final report submission: 20 points (20%)

C. Total Score = A+B = 100

Performance ratings of 75 and above will be considered adequate for confirmation of the following assignment.

### **Budget and mode of payment**

Budget should cover all costs for remuneration of experts/staff including their travel and miscellaneous cost. If the applicant is a firm or a company, Value-added tax certificate is a must. Prevailing national rules will be applied for tax purpose.

According to the estimated timeframe and schedule of execution, payments for the services provided will be made, after the products/deliverables are submitted timely and cleared by the PROPEIXE PCU and IFAD.

### **Future Use of the Data**

The clean dataset as well as the resulting reports will be property of the Project Team and IFAD.

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[1] Four experts, costed under other sub-components, that would combine support for implementation of project activities with training/capacity building for the different IDEPA departments:

- a) Environment and Climate Change Technical Specialist
- b) Fisheries Technology Specialist
- c) VC and Marketing Specialist
- d) Rural Infrastructure Technical Specialist – to be based in INFRAPESCA

## Annex 1 – Project Logframe

Results Hierarchy	Indicators				Means of Verification			Assumptions
	Name	Baseline	Mid-Term	End Target	Source	Frequency	Responsibility	
<b>Outreach</b>	<b>1 Persons receiving services promoted or supported by the project</b>				Primary data collected through the project M&E system	Annual	PCU	Project activities are implemented as planned. The target group - especially youth and women - are interested in and capable of engaging more in the fish value chain
	Males - Males	0	22500	45000				
	Females - Females	0	22500	45000				
	Young - Young people	0	18000	36000				
	Internally displaced people	0	4500	9000				
	PwDs	0	1170	2340				
	Total number of persons receiving services - Number of people	0	45000	90000				
	<b>1.b Estimated corresponding total number of households members</b>							
	Household members - Number of people	0	86000	172000				
	<b>1.a Corresponding number of households reached</b>							
Households - Households	0	20000	40000					
<b>Project Goal</b> Sustainably increase the incomes, nutrition and food security by addressing the main barriers to sustainable production and marketing for artisanal fisheries	<b>Households reporting increased annual net income (fish producers, processors, input suppliers)</b>				Demographic health and nutrition survey; COI surveys	Baseline, mid-line, completion	External sources and outsourced COI survey	Economic and weather conditions remain favourable. Economic recovery Political enabling environment and stability in the North region of the country
	Households - Number	0	14000	26000				
	Households - Percentage (%)	0	35%	65%				
	<b>Households in targeted areas who are food-insecure</b>							
	Percentage of households	50%	45%	40%				
<b>Development Objective</b> Increase the sustainability of fishery value chain returns, by promoting responsible fisheries, community conservation and restoration of ecosystems and biodiversity, while also supporting fishery community	<b>2.2.1 Beneficiaries with new jobs/employment opportunities</b>				COI surveys	Baseline, mid-term and completion	Outsourced COI survey	Existence of right macroeconomic and climactic conditions; The promotion of enterprises in the fishing sector leads to job creation; The project
	new jobs - number	0	4000	8000				
	job owner - men	0	2000	4000				
	job owner - women	0	2000	4000				
	job owner - young	0	1600	3200				



resilience through diversification of livelihoods

<b>IE.2.1 Individuals demonstrating an improvement in empowerment</b>			
Total persons - Percentage (%)	0	32%	64%
Total persons - Number of people	0	29250	58500
Females - Percentage (%)	0	35%	70%
Females - Females	0	15750	31500
Males - Percentage (%)	0	30%	60%
Males - Males	0	13500	27000
<b>SF.2.1 Households satisfied with project-supported services</b>			
Household members - Number of people	0	68800	137600
Households (%) - Percentage (%)	0	40%	80%
Households (number) - Households	0	16000	32000
<b>SF.2.2 Households reporting they can influence decision-making of local authorities and project-supported service providers</b>			
Household members - Number of people	0	60200	120400
Households (%) - Percentage (%)	0	35%	70%
Households (number) - Households	0	14000	28000
<b>1.2.8 Women reporting minimum dietary diversity (MDDW)</b>			
women (number)	0	5000	10000
women (percentage)	0	41%	83%
Households (number) - Households	0	5000	10000
Households (percentage)	0	41%	83%
Total number of household members - Number of people	0	21500	43000
Women-headed households - Households	0	1000	2000

responds to the target group needs.

	<b>1.2.9 Households with improved nutrition Knowledge Attitudes and Practices (KAP)</b> <table border="1"> <tr> <td>Women-headed households - Households</td> <td>0</td> <td>1200</td> <td>1920</td> </tr> <tr> <td>Households (number)</td> <td>0</td> <td>6000</td> <td>9600<sup>18</sup></td> </tr> <tr> <td>Households (%)</td> <td>0</td> <td>15</td> <td>24</td> </tr> <tr> <td>Households Members</td> <td>0</td> <td>25800</td> <td>41280</td> </tr> </table>	Women-headed households - Households	0	1200	1920	Households (number)	0	6000	9600 <sup>18</sup>	Households (%)	0	15	24	Households Members	0	25800	41280																												
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Households (%)	0	15	24																																										
Households Members	0	25800	41280																																										
<b>Outcome</b> Outcome 1: Increased resilience of Artisanal Fisheries	<b>3.2.2 Households reporting adoption of environmentally sustainable and climate-resilient technologies and practices</b> <table border="1"> <tr> <td>Total number of household members - Number of people</td> <td>0</td> <td>51600</td> <td>103200</td> </tr> <tr> <td>Households - Percentage (%)</td> <td>0</td> <td>30%</td> <td>60%</td> </tr> <tr> <td>Households - Households</td> <td>0</td> <td>12000</td> <td>24000</td> </tr> </table> <b>3.2.1: Tons of Greenhouse gas emissions (tCO2e) avoided and/or sequestered</b> <table border="1"> <tr> <td>tCO2e/20y</td> <td></td> <td></td> <td>508256</td> </tr> <tr> <td>ha</td> <td></td> <td>4000</td> <td>8000</td> </tr> <tr> <td>tCO2e/ha</td> <td></td> <td></td> <td>-363</td> </tr> <tr> <td>tCO2e/ha/yr</td> <td></td> <td></td> <td>-18.2</td> </tr> </table> <b>1.2.4 Households reporting an increase in production</b> <table border="1"> <tr> <td>Households - number</td> <td>0</td> <td>14000</td> <td>28000</td> </tr> <tr> <td>Households - %</td> <td>0</td> <td>35%</td> <td>70%</td> </tr> <tr> <td>Total household members</td> <td>0</td> <td>60200</td> <td>120400</td> </tr> </table>	Total number of household members - Number of people	0	51600	103200	Households - Percentage (%)	0	30%	60%	Households - Households	0	12000	24000	tCO2e/20y			508256	ha		4000	8000	tCO2e/ha			-363	tCO2e/ha/yr			-18.2	Households - number	0	14000	28000	Households - %	0	35%	70%	Total household members	0	60200	120400	COI surveys	Baseline, mid-line, completion	Outsourced COI survey	Economic and weather conditions remain favourable. The technologies and practices promoted by the project are suited for the target areas and the target group.
Total number of household members - Number of people	0	51600	103200																																										
Households - Percentage (%)	0	30%	60%																																										
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<b>Output</b> Output 1.1. Effective fisheries management promoted	<b>1.1.4 Persons trained in production practices and/or technologies</b> <table border="1"> <tr> <td>Males trained in fisheries</td> <td>0</td> <td>11000</td> <td>21000</td> </tr> <tr> <td>Females trained in fisheries</td> <td>0</td> <td>4500</td> <td>9000</td> </tr> </table>	Males trained in fisheries	0	11000	21000	Females trained in fisheries	0	4500	9000	Primary data collected through the project M&E system	Annual	PCU	Existing CCPs are interested in and able to increase their role, and new CCPs can be created where they do not exist																																
Males trained in fisheries	0	11000	21000																																										
Females trained in fisheries	0	4500	9000																																										

<sup>18</sup> Having in mind that the target defined for "People targeted with nutrition training is 12000" Please refer to table 2 in PDR. Therefore it is being assumed that at least 80% of the 12000 people trained (9600) will influence and improve nutrition Knowledge Attitudes and Practices, ultimately corresponding 24% of the total Households reached by the project.

	Young trained in fisheries	0	6000	12000				
	total persons trained in fisheries	0	15000	30000				
<b>Output</b> Output 1.2 Rehabilitated coastal habitat increased	<b>3.1.1 Groups supported to sustainably manage natural resources and climate-related risks</b>				Primary data collected through the project M&E system	Annual	PCU	Target group actively participates in training activities; the new technologies promoted by the project respond to artisanal fishermen's needs
	Total size of groups - Number of people	0	1200	2400				
	number of groups	0	120	240				
	women	0	400	720				
	men	0	800	1680				
	youth	0	450	960				
	<b>Number of CCPs led by women</b>							
	Percentage of groups	0	10%	20%				
<b>Outcome</b> Outcome 2: improved economic resilience and profitability of artisanal fisheries and local livelihoods	<b>Increase in volume and value of fish traded from the artisanal fisheries</b>				Open Art Fish platform	Annual	ADNAP	Economic and weather conditions remain favourable, infrastructure activities carried out by the project are implemented as planned.
	total annual volume in targeted districts (tons)	231 495	290 000	329 949				
	Total annual value in targeted districts (\$)	260 200 380	350 000 000	469 517 427				
	<b>2.2.2 Supported rural enterprises reporting an increase in profit</b>				COI survey, Primary data collected through the project M&E system	Baseline, mid & end line	PCU and outsourced COI survey	
	Number of enterprises - Enterprises	0	430	860				
	Percentage of enterprises - Percentage (%)	0	40%	80%				
	<b>Number of persons benefitting from rehabilitated feeder roads</b>				Primary data collected through the project M&E system and population census	Annual	PCU	
	Number of persons	0	16000	32500				
<b>Output</b> Output 2.1 Sustainable fisheries enterprises and alternative livelihoods developed	<b>2.1.1 Rural enterprises accessing business development services</b>				Primary data collected through the project M&E system	Annual	PCU	Enterprises in the fisheries sector are willing to form 4Ps and to engage with project activities
	Rural enterprises - number	0	500	1 080				
	<b>2.1.2 Persons trained in income-generating activities or business management</b>				Primary data collected through the	Annual	PCU	The target group - especially youth and women - are interested in
Persons	0	5000	10000					

	Males - Males	0	2500	5000	project M&E system		and capable of engaging more in the fish value chain
	Females - Females	0	2500	5000			
	Young - Young people	0	2000	4000			
	<b>1.1.7 Persons in rural areas trained in financial literacy and/or use of financial products and services</b>						
	total number of people	0	12000	24000			
	males	0	3600	7200			
	females	0	8400	16800			
	young	0	4800	9600			
	<b>Number of PCRs who received credit from a finance institution</b>						
	Number	0	60	120			
	<b>1.1.8 Households provided with targeted support to improve their nutrition</b>						
	total persons	0	6000	12000			
	males	0	0	0			
	females	0	6000	12000			
	young	0	2400	4800			
	number of households	0	6000	12000			
	Women headed households	0	1200	2400			
	Non-women headed households	0	4800	9600			
	Total number of household members - Number of people	0	25800	51600			
<b>Output</b> Output 2.4 Resilient fisheries value chain infrastructure established	<b>2.1.5 Roads constructed, rehabilitated or upgraded</b>						
	Length of roads - Km	0	100	360			
	<b>Number of management agreements established and operating</b>						
	Number	0	8	14			
	<b>2.1.6 Market, processing or storage facilities constructed or rehabilitated</b>						
	Total number of facilities - Facilities	0	13	26			

	Market facilities constructed/rehabilitated - Facilities	0	5	12				
	Processing facilities constructed/rehabilitated - Facilities	0	3	4				
	Storage facilities constructed/rehabilitated - Facilities	0	5	10				
<b>Outcome</b> Outcome 3: Institutional strengthening, project management and policy initiatives	<b>Policy 3 Existing/new laws, regulations, policies or strategies proposed to policy makers for approval, ratification or amendment</b>				Primary data collected through the project M&E system	Annual	PCU	Economic and weather conditions remain favourable
	Number - Number	0	1	2				
<b>Output</b> Output 3.1 Strengthened fisheries institutions and extension services	<b>Policy 1 – Policy-relevant knowledge products completed</b>				Primary data collected through the project M&E system	Annual	PCU	Knowledge management activities are demand-driven and closely linked to the project's policy-engagement objectives

## ANNEX III – ToRs FOR PMU STAFF AND KEY EXPERTS

### 1. Project Coordinator

Reporting directly to the Director General of IDEPA, the Project Coordinator will be responsible for coordinating the work of the PMU staff, organizes and facilitates project supervisions, reviews, and evaluations, coordinates all technical matters and studies for the project, and for the timely preparation and submission of the consolidated AWPB and periodic implementation progress reports of the project.

**Duties and Responsibilities.** Under the direct supervision of the Director General of IDEPA, the Project Coordinator will have the following duties and responsibilities:

§ Programme development, including:

- Providing orientations for the development of the project strategy and methodology;
- Guiding the development of the most appropriate implementation tools and management methods to ensure project performance, in accordance with national policies and with the financing agreements;
- Advising IDEPA in integrating PROPEIXE management and learning systems in IDEPA's own systems and supporting related capacity building of IDEPA;
- Ensuring that key value chain stakeholders and government institutions fully participate in the process;
- Ensuring coordination and team working of PROPEIXE staff, local actors and project partners;
- Ensuring management coordination and technical guidance to the implementing partners; and
- Ensuring appropriate synergies between project components to maximise their impact.

§ Project implementation, including:

- Supervising the implementation of Project activities in accordance with the financing agreement, with the decisions of PROPEIXE Steering Committee and with the agreements with IFAD;
- Leading the PMU in designing and implementing the Project Implementation Manual, the Project Learning System and other management tools;
- Ensuring and overseeing the Project Implementation through the implementing bodies;
- Supervising the preparation, negotiation and oversight of memorandums of understanding, agreements and other contracts with Project partners and services providers;
- Ensuring and overseeing the implementation of the Targeting and Gender Mainstreaming Strategy through all the components in line with the Fisheries Gender Strategy as well as IFAD Gender policies, objectives and strategies;
- Ensuring and overseeing the Climate Change Adaptation Approach through all Project components;
- Preparing consolidated Annual Work Plans and Budgets (AWPBs), building on AWPBs prepared by implementing partners and in line with the recommendations, for approval by IDEPA and IFAD;
- Preparing progress and thematic reports;
- Executing the approved budget, and ensure payments;
- Identifying areas which require support from external consultants, and recruiting them;
- Guiding the efforts of consultants, experts and contractors towards the realization of planned Project outputs and evaluating their performance;

- Leading the design, update and operationalization of the Project Implementation Manual.
- § Project monitoring, including:
  - Overseeing the setting up process and effective operation of the M&E/KM system;
  - Ensuring the solid internal use of the M&E/KM system;
  - Ensuring the timely preparation of progress and financial reports;
  - Coordinating supervisions of the Project Implementation in collaboration with the Project Partners including Government institutions and central, provincial and district levels.
- § Project external relations, including the coordination of activities with other projects pursuing similar objectives, within and outside Mozambique; and sharing the experiences of value-chain development and climate-resilience with a wide range of stakeholders both in outside of Mozambique.
- § Project administrative management, including:
  - Reviewing and approving pre-selection of Project partners, bidding documents, job descriptions and terms of reference for PROPEIXE staff and external services providers;
  - Supervising and managing PROPEIXE staff;
  - Maintaining internal transparency for the most important technical and project management decisions through regular meetings with PROPEIXE staff at national and local level;
  - Ensuring proper use and conservation of project assets, in line with the national legislation and financial agreements;
  - Ensure transparent and efficient financial management of project fund in compliance with the Grant rules and procedures
  - Conducting Project Completion and Grant Closing activities in compliance with the Grant conditions.
- § Gender Equity and SEA prevention measures, including:
  - Encourage gender balance in all Projects Management Units;
  - Ensure sexual exploitation and abuse prevention measures are implemented and respected in program management and implementation, according to IFAD guidelines;
  - Ensure gender sensitivity/work life balance is respected in programme management;
  - For some positions, encourage and privilege the application of competent women/men (specially in male/ female dominated fields).

**Qualifications and Experience.** The preferred candidate will have the following minimum qualifications and experience: (i) High level degree in Economics, Fisheries Economics or Business Management, preferably with an orientation on Fisheries Development; (ii) Considerable experience in managing development projects with a minimum of 7 years of experience in managing fishing and/or rural development programmes and specific exposure to commercial/private sector practice in service contracting, performance monitoring and financing; (iii) Proven experience in leading large teams of experts and ability to interact well with government and nongovernment partners; (iv) Ability to guide and develop capacities of team members, counterpart staff and other key stakeholders; (v) Knowledge on climate change issues in the smallholder sector would be advantageous; (vi) Knowledge on gender mainstreaming in the smallholder sector would be advantageous; (vii) Proven experience in team building, communication and negotiation skills; (viii) Full working knowledge of MS Office software, and (ix) Fluency in spoken and written Portuguese and English.

**The following are desirable competencies:** (i) Demonstrated capacity to take on a leadership position with strong managerial skills and capacity to manage people and interact with a wide range of private sector partners and public sector representatives;

(ii) A good understanding of the Project Implementation Manual, agricultural value chains and gender issues in the country; (iii) Understanding of the principles and practical methodology of Producer-Public-Private Partnerships (4Ps); (iv) Strong entrepreneurial skills; and (v) Strong organizational skills and knowledge of strategic planning.



## 2. Financial Manager

Reporting directly to the Project Coordinator, the Financial Manager (FM) will be one of the senior staffs of the PMU, particularly in relation to liaison with the IDEPA/MIMAIP, IFAD and the other funding agencies. He/she will be a principal actor in routine financial management of the Project activities, responsible for the smooth flow and proper accounting of use of funds. This will necessitate ensuring prudent financial management of PROPEIXE and for maintaining all Project accounts in good order.

**Duties and Responsibilities.** Under the direct supervision of the Project Coordinator, the FM will have the following duties and responsibilities:

- § Designing and implementing PROPEIXE's Financial Management system and tools;
- § Undertake the financial management of the Project in a prudent manner;
- § Ensuring, overseeing and guidance on the implementation of the overall financial systems and tools in accordance with the Government Legislation and Financing Agreements;
- § Procurement and installation of an appropriate financial management system with a well coded chart of accounts to ensure that the PMU and especially, the Project Coordinator and M&E Officer are regularly informed of ongoing financial activities and transactions;
- § Communicate to all implementing entities and service providers their financial responsibilities, the funds available and how to access them, and the requirements of reporting and record keeping in accordance with prevailing government practices which are acceptable to IFAD;
- § Maintain all accounting records in a form appropriate for regular auditing (at least once a year);
- § Ensure that:
  - All PROPEIXE funds are used in accordance with the conditions of the financing agreements, with due attention to economy and efficiency, and only for the purposes for which the funds were provided;
  - Counterpart funds have been provided and used in accordance with the conditions of the financing agreements, with due attention to economy and efficiency, and only for the purposes for which they were provided;
  - Works, goods and services financed have been procured in accordance with the financing agreement and in accordance with government and IFAD's rules and procedures;
  - All necessary supporting documents, records and accounts are kept in respect of all Project activities, with clear linkages between the books of account and the financial statements presented to the financiers;
  - The Designated account is maintained in accordance with the provisions of the financing agreement and in accordance with the financier's rules and procedures;
  - The financial statements are prepared in accordance with International Public Sector Accounting Standards (IPSAS)- Cash basis with the prerequisite disclosures for non-cash items;
- § Liaise with external auditors to audit the PROPEIXE accounts to meet the required submission deadline fixed by IFAD;
- § Oversee tax matters of the Programme, ensuring that tax exemptions for the procurement of goods for the Programme are secured at the appropriate time;
- § Process documentation and follow up on disbursements from the government and IFAD to ensure that releases are not delayed;
- § Ensure that funds for Project implementation are disbursed in a timely manner to enable Project interventions to be carried out on time;
- § Coordinate preparation and submission of regular Withdrawal Applications to IFAD and follow up to ensure that the Project does not run short of liquidity;
- § Follow up on all Project funds released to implementing entities and technical partners for timely retirement and proper utilization;

- § Ensure that Statements of Expenditure (SoEs) are carefully compared for eligibility with relevant financial agreements and the disbursement letter, and with reference to the Project Design Report for guidance, when necessary;
- § Ensure that fixed assets are well accounted for and quarterly or when necessary verification is undertaken of the condition of assets and their location;
- § Prepare half-yearly consolidated statements of PROPEIXE accounts as an integral part of the Management Information System to be submitted to the Project Steering Committee, and subsequently to IFAD;
- § Prepare quarterly reports regarding aspects of Project financial monitoring bringing out variances and advising component heads as to the limits of expenditure;
- § Ensure the effective and efficient operation of administrative aspects of the Project;
- § Assist the Project Coordinator in elaborating the Mid-Term Review and Project Completion Reports by providing updated detailed Project financial statements;
- § Collaborate with M&E Officer in elaboration of the yearly AWPBs, periodically report, including semi-annual and annual progress reports;
- § Ensure that all pieces of office equipment, IT Equipment and vehicles under the PMU are in good working condition through regular maintenance, and appropriate repairs;
- § Assist the Project Coordinator in conducting Project Completion and Loan Closing activities in compliance with the grant conditions; and
- § Undertake any other activities that are assigned by the Project Coordinator.

**Qualifications, Experience and Competencies:** The candidate should have a Minimum of Bachelor's degree in Financial Management, Accounting and Finance, Finance, Business Administration or Commerce and must have attained a certificate in a professional accountancy course.

**Other qualifications include:** (i) At least seven (07) years of relevant work experience, including at least five as a Financial Manager or Accountant in government/donor Projects or large institutions; (ii) At least seven (07) years of work experience in operating e-SISTAFE, the Mozambican Government integrated System for budgeting, accounting, payment and reporting; (iii) Strong managerial skills and demonstrated capacity to manage people and interact with a wide range of private sector partners and government representatives; (iv) Knowledge of work planning, budgeting and reporting; (v) Excellent quantitative and analytical skills; (vi) Strong communication skills and relations management; (vii) Strong training skills; (viii) Knowledge of financial management software would be an advantageous; and (ix) Computer-literate and well-versed in the use of Excel, Word, Power Point, email and internet and financial software, fluence in Portuguese and English languages.

**The following are desirable competencies:** (i) Strong managerial skills and demonstrated capacity to manage people and interact with a wide range of government agencies and, to a certain extent, private sector representatives; (ii) Strong written and oral communication skills in English; Self-motivated and creative thinker; (iii) Excellent leadership capacities and communication including skills for conflict management; (iv) Integrity and honesty; and (v) Able to work independently, with limited supervision.

### 3. Procurement Officer

Reporting directly to the National Project Coordinator, the Procurement Officer will be responsible for all procurement-related aspects under the Programme and for maintaining all procurement documentation in good order.

**Duties and Responsibilities.** Under the direct supervision of the Project Coordinator, the Procurement Officer will have the following duties and responsibilities:

- § Establishment of appropriate procurement systems and procedures for effective planning and monitoring of procurements under the Programme;

- § Ensuring, overseeing and guidance on the implementation of the overall procurement systems, guidelines and tools in accordance with the Government Legislation and Financing Agreements;
- § Communicate to all implementing entities and service providers their responsibilities and requirements with respect to procurement in keeping with prevailing Government practices which are acceptable to IFAD;
- § Oversee preparation and consolidation of inputs to the Annual Procurement Plan;
- § Monitor implementation of the procurement plans, contracts: report status and problems to the Project Coordinator and intervene to address any problems upon request by the Project Coordinator;
- § Maintain all procurement records in a form appropriate for regular auditing;
- § Ensure that goods and services financed have been procured in accordance with the Grant Agreement and the GoM requirement;
- § Coordinate preparation of ToRs for consulting services and technical specifications for hardware procurement, in conjunction with the relevant user Departments/ Divisions/entities;
- § Undertake local shopping for goods and services where this falls within the procurement guidelines;
- § Prepare tender documents in the required format and advertising or inviting bids from qualified (or pre-qualified) suppliers;
- § Convene and support bid evaluation committees to undertake technical evaluation of bids or proposals for supply of goods and services. Ensure that Evaluation Committees have people with appropriate expertise;
- § Approve progressive payments to contractors against the agreed milestones or outputs;
- § Maintain a register of approved suppliers for smaller items procured locally;
- § Prepare quarterly and annual reports of progress with implementation of the Procurement Plan, and regularly inform the Project Coordinator of problems and make proposals to overcome bottlenecks;
- § Insert contracts and fixed assets in the Accounting System Software or Procurement and Contract Management Software;
- § Manage the contracts financially and in terms of physical progress;
- § Extract several procurement reports including updated contract register maintaining and well registered in line with the related components, categories, accounts, financiers and all main information;
- § Collaborate and participate in internal and external audits including supervision and implementation missions;
- § Undertake any other activities that are assigned by the Project Coordinator.

**Qualifications and Experience:** (i) The ideal candidate must have a degree in purchasing and supply, economics, public administration, finance or law; (ii) or equivalent management qualification with significant training and practical experience in procurement within Government programmes supported by international financial institutions.

**Other qualifications include:** (i) Sound understanding of GoM procurement guidelines and the protocols and procedures applying to internationally financed programmes and Programmes in Mozambique; (ii) at least six (06) years of work experience in procurement, contracting and managing contracts, preferably including the donor funded Programmes/ Programmes; (iii) Strong communication skills and relations management; (iv) Strong training skills; and advanced working knowledge and skills of MS Office (MS Word, MS Excel and MS Access); (v) Knowledge and work experience in Procurement and Accounting or Procurement Software's will be advantage; and (vi) Fluency in Portuguese and English.

**The following are desirable competencies:** (i) Ability to work well in teams and to interact with a wide range of partners, including private sector and government representatives; (ii) Knowledge of work planning and reporting; (iii) Excellent analytical skills; (iv) Honesty and integrity; (v) Self-motivated and creative thinker; (vi) Excellent

capacities for conflict management;(vii) Strong written and oral communication skills in English; and (viii) Ability to work independently, with limited supervision.

## **5. Monitoring & Evaluation / Knowledge Management Officer**

Reporting directly to the Project Coordinator, the M&E/KM will be responsible for:

**Duties and responsibilities on M&E.** Under the direct supervision of the Project Coordinator, and in close liaison with the M&E Specialist, the M&E/KM Officer will ensure achievement of results-oriented outcomes in the PROPEIXE-related Monitoring and Evaluation. Specific tasks include but not limited to:

- § Ensure update of the Programme Logical Framework as appropriate;
- § Participate in the implementation of the M&E system under technical guidance of the M&E Specialist;
- § Assist the M&E Specialist assisting the Project in the operationalization of the Project M&E system taking into consideration the Government monitoring and analytical M&E guidelines as well as the IFAD instruments on the Planning, Monitoring and Evaluation systems;
- § Assist the M&E Specialist in providing technical guidance and assistance on the coordination of the overall activities regarding planning, data collection and report to SDAEs, DPAPs, PMU/IDEPA and other stakeholders;
- § Assist the M&E Specialist in the elaboration of the AWPBs in collaboration with other specialists, Government institutions and other Project implementing partners;
- § Assist the M&E Specialist in the elaboration of the Project progress reports in collaboration with other specialists, Government institutions and other Project implementing partners; and
- § Participate in design and development of KM products, in particular those assessing the accomplishment of Project objectives, targets, outcomes and impacts.

**Duties and responsibilities on KM.** Under the direct supervision of the Project Coordinator, and in close liaison with the M&E Specialist, the M&E/KM Officer will have the following duties and responsibilities:

- § *General:* (i) Develop and implement the Knowledge Management and Communication Strategy to ensure systematic and adequate communication and dissemination of Project interventions, results and impacts, continuous learning, improvement and knowledge sharing and learning; (ii) Ensure and overseeing, and guidance to PMU On the implementation of the Knowledge Management and Communication Strategy; (iii) Conduct mapping of relevant actors and stakeholders in the domain of communication and knowledge management, as well as seeking ways and options of engaging with them during the life cycle of the Project; (iv) Prepare and disseminate Project Publications and develop and maintain the Project website; and (v) Ensure all preparatory and dissemination of the evaluation missions and knowledge sharing events using different methods of communication.
- § *Programme Communication and Visibility:* (i) Coordinate the overall process of transforming Project interventions in the targeted value chains into simply and impacting messages on the receptor's behaviour, ensure documentation and dissemination; (ii) Identify and implement innovative approaches stimulating women and youth participation in the Project; (iii) Provide technical assistance and guidance to Project Implementing Partners on framing messages leading to artisanal fishing subsector and other value chain stakeholder's behaviour changing; (iv) Conduct mapping of relevant partners on mass media communication and explore options of engaging them in the dissemination of Project interventions; (v) Design and implement tools and approaches for dissemination of Project interventions through specialized institutions in communication; (vi) Ensuring actions contributing and strengthening Project visibility in adequate manner; (vii) Assist PMU organizing events like steering committee meetings, value chain platform meetings, national and international knowledge sharing meetings as well as International Exchange and Learning visits involving the Project and other Projects or Programmes within and outside the country; and (viii) Document and disseminate information about National and International events (meetings, seminars, workshops, field days, etc);
- § *Knowledge Management:* (i) Assist in the development of appropriate knowledge management tools including case studies, success stories and impact studies; (ii)

Participate and/or lead the process of documentation of qualitative and quantitative evaluation of the Project outcomes and impacts; (iii) On continuous basis identify relevant areas for knowledge exchanging and learning; (iv) Collect, collate, check, sort and undertake the some basic to intermediate level qualitative and quantitative analysis of the Project data on all field activities according to the reporting guidelines at district and provincial levels; (v) Ensure systematization of information and data on Project lessons and hence contributing for improvement of policy formulation and implementations measures; (vi) Ensure a systematic filing of all Project documents; (vii) Conduct regular field visits and provide full feedback to field staff on M&E on the status of interventions, especially with regards to those relevant areas from the perspective knowledge sharing and learning; (viii) Working closely with M&E Specialist, continuously assess performance of the Project reporting and M&E System; (ix) Support knowledge management and dissemination activities of the Project in order to promote shared learning; and (x) Undertake any other activities that are assigned by the Project Coordinator.

**Qualifications, experience and competencies:** (i) The ideal candidate must have at least one degree on the following fields; fishery economics, fisheries extension or equivalent, development studies, business administration, management, international development, communication, rural development, fisheries economics, or related field, with proven experience working with M&E and in developing KM products; (ii) at least five (05) years of work experience in similar positions; (iii) Good understanding of value chain development; (iv) Solid knowledge and command of statistic packages (SPSS, STATA or others); (v) Ability to write advanced drafts of success stories and evaluation studies; (vi) Experience in promoting communication systems and visibility of development programmes and initiatives; (vii) Demonstrated experience of developing results frameworks, indicators and M&E tools; and (viii) Advanced working knowledge and skills of MS Office (MS Word, MS Excel and MS Access);

**The following are desirable competencies:** Ability to work well in teams and to interact with a wide range of government institutions, private sector representatives and development partners; Knowledge of communication and KM; Strong written and oral communication skills in English; Excellent analytical skills; Open-minded; and Able to work independently, with limited supervision. (viii) Leadership and communication skills. Fluency in Portuguese and English.

## 2. Procurement Assistant

Reporting directly to the Project Procurement Specialist, the Procurement Assistant will ensure achievement of results-oriented outcomes in the PROPEIXE-related procurement function.

**Duties and Responsibilities:** Under the direct supervision of the Procurement Specialist, the Procurement Assistant will have the following duties and responsibilities:

- § Under guidance of the Procurement Specialist, collaborate in the overall coordination of the procurement activities including technical support and assistance to the PMU staff, strictly following Government and IFAD procurement regulations and guidelines;
- § Put in place a system that would allow for appropriate planning with regard to the consolidation of a list of all needed procurement items for the effective implementation of the Annual Procurement Plans. The list should be exhaustive including the appropriate specifications, quantity, the preferred delivery time period, etc.;
- § Work closely with the Project Management Unit staff to ensure that an informative and detailed procurement plan and budget is timely prepared;
- § During the course of AWPB implementation, monitor implementation of the different contracts, report status and problems to the Procurement Specialist and intervene to address any problems upon request by the Procurement Specialist;
- § Maintain all procurement records in a form appropriate for regular auditing;
- § Keep an appropriate Project asset register for all assets procured during the course of PROPEIXE implementation. The register must be continuously updated to reflect the location and other aspects of the assets;
- § Prepare quarterly, semi-annual and annual reports of progress with implementation of the Procurement Plan, and regularly inform the Procurement Specialist of problems and make proposals to overcome bottlenecks; and
- § Carry out any other activities that are assigned by the Procurement Specialist, Financial Manager and Project Coordinator.

**Qualifications, Experience and Competencies:** The ideal candidate must have a degree in purchasing and supply, economics, finance, or law; public administration or equivalent management qualification with significant training and practical experience in procurement within Government Institutions and Government Projects supported by international financial institutions.

**Other qualifications include:** Sound understanding of GoM procurement guidelines and the protocols and procedures applying to internationally financed Projects and Programmes in Mozambique; at least five (05) years of work experience in procurement and contracting, preferably in Government Institutions including donor-funded Projects/Programmes; and advanced working knowledge and skills of MS Office (MS Word, MS Excel and MS Access). Fluence in Portuguese. At least Intermediate level of English Skills.

#### 4. Project Accountant

The Project Accountant will ensure and undertake accounting and financial records of the Project Management Unit in the Financial Management and Administration Division. He/She will report directly to the Project Financial Manager and will be responsible in maintaining accounting records.

**Duties and Responsibilities:** Under direct supervision of the Financial Manager, the Project Accountant will support the overall process of maintaining accounting records on day-to-day accounts management. Main duties and responsibilities include but not limited to:

- § Prepare process including requests for payment of Project expenses;
- § Support the Financial Manager in the overall expenditure planning;
- § Support the Financial Manager in preparing the annual budget and financial plan of activities;
- § Ensure adequate instruction of accounting processes in their all phases, including request for payments in line with the planned activities, control of procedures, reporting and authorization in line with the Project Financial Manual, PIM and Government Procedures;
- § Process Project payments on e-SISTAFE;
- § Generate several reports for management and internal analysis from both the Project accounting software and e-SISTAFE;
- § Ensure that all payments and the related documentation are according to the Government and Financiers standards and follow the rules and procedures of both Government and donors;
- § Provide Accounting data from the accounting software and e-SISTAFE whenever requested by the Financial Manager or Project Coordinator;
- § Insert accounting data in the financial management system software;
- § Perform preliminary analysis and reconciliations of accounts periodically;
- § Maintain the filing of all accounting and financial documentation;
- § Ensure that bank accounts are reconciled on a monthly basis;
- § Assist Financial Manager in preparation of withdrawal applications for disbursements and/or justification;
- § Collaborate with the Financial Manager in the preparation of periodic financial reports and annual financial statements;
- § Ensure the fulfilment of administrative and financial procedures acceptable to the Financier and the Government; and
- § Perform all other relevant tasks as assigned by the Financial Manager or Project Coordinator.

**Qualifications and Experience:** High degree in Accounting and Auditing, Accounting and Finance or Management, Financial Management, Business Administration or Public Administration with at least five (05) year of experience in working in an Accounting Department of Government Institutions; consolidated knowledge and experience in using Accounting Software's for public accounting and Government projects/ programmes financed by international organizations or donors. Knowledge in public/ government accounting rules and procedures; excellent skill in using computer and MS Office (Word, Excel, Access) including internet, email. Fluence in Portuguese and English. Solid experience in using e-SISTAFE and an Accounting Software acceptable by IFAD will be an advantage.



## 6. Project Assistant

Reporting directly to the Project Coordinator, the Project Assistant will be responsible for providing Project management and administration support to the PMU as well as ensuring and managing institutional relations between IDEPA/PMU and Government Institutions at provincial and national level.

**Duties and Responsibilities:** Under the direct supervision of the Project Coordinator, the Project Assistant will have the following duties and responsibilities:

- § To effectively and efficiently provide assistance and secretarial services to the PMU;
- § Assist the Project Coordinator with all formal Project communication issues involving IDEPA, IDEPA/PMU staff and other Government institutions and IFAD;
- § Organize, prepare, and keep records of proceedings of, and participating in Project meetings, which include Project steering committee meetings, PMU meetings and Annual Project meetings. The minutes or records so prepared by the Project Assistant would have to be reviewed and sanctioned by the Project Coordinator prior to circulation;
- § Assisting the Project Coordinator with following up implementation of recommendations of Government (MIMAIP) and Joint Government and IFAD Supervision Missions;
- § Make internal travel and accommodation arrangements as and when required for the PMU staff;
- § Ensure that all pieces of office equipment under the PMU are in good working condition through regular maintenance, and appropriate repairs;
- § Keep track of all utility bills and ensuring that these bills are paid on time;
- § Establish and maintain both manual and electronic filing systems for safekeeping of Project records, contracts, personnel documents, etc.;
- § Manage office supplies;
- § Manage incoming and outgoing correspondences;
- § Prepare and maintain an updated database on Project staff vacation and other forms of leave; and
- § Carry out any other Project tasks as may be assigned from time to time by the Project Coordinator.

**Qualifications, Experience and Competencies:** The ideal candidate will have at least a certificate in Management studies, Secretarial Studies, or any other relevant field with appropriate experience. Other qualifications include: a minimum of three (03) years of work experience in a similar position (i.e., Project Assistant, Project Assistant or Administrator); computer experience in Microsoft Word, Power Point, Excel and electronic mailing; Fluency in English with excellent writing skills; and Experience in a similar or administrative position with donor or government funded Projects/ Programme. Any relevant additional Project/Programme management training will be an added advantage.

**The following are desirable competencies:** Strong written and oral communication skills in Portuguese and English; Self-motivated and creative thinker; Proven ability to work in teams; Strong social skills; Open-minded; and Able to work independently, with limited supervision.

## 8. Logistic Driver

Under the direct supervision of the Project Coordinator or the Financial Manager, the Logistic Driver will be responsible for the management of the Project Vehicles, ensure transportation of the PMU staff to the field on duty missions and administration support in the delivery of any Project expedient to several public institutions and other related Project stakeholders.

**Duties and Responsibilities:** Specific responsibilities include but are not limited to:

- § Ensure proper driving of the vehicle allocated to the Project Coordinator in all Project missions and activities within and outside Maputo city;
- § Ensure proper driving of the vehicles allocated to the Project Management Unit in order to ensure overall implementation of Project activities;
- § Oversee the use of vehicles allocated to the Project Management Unit as to ensure that they are used for Project purposes;
- § Lead and ensure general management of the all Project vehicles including maintenance, proper uses by Project staff and ensure the periodically revision;
- § Assist PMU staff all activities regarding delivery of project expedient in close collaboration with the Project Assistant, Financial Management Division and the Project Technical Divisions;
- § Ensure periodically review of all Project vehicles and advise the Financial and Administration Management Division including submitting the vehicles for maintenance and/or repair;
- § Participate in several mission and field activities;
- § Execute all activities carried out by the hierarchical superiors;

**Qualifications and Experience:** The ideal would be an extremely experience driver working with Government institutions as well as Government funded Projects. Minimum of second level of Primary School. Candidates holding Secondary School Level of the National Education System or above might be of preference. Professional Driving Licence, with at least five (05) years of working experience. Experience working with private sector or non-Governmental organisations (NGO) is desirable. Experience in driving senior staff from the Government and Donors. Good skills in communication and management of expedient. High capacity on working in high pression environment. Basic level in English skills and basic knowledge in using computer will be an advantage.

## 10. Environment and Climate Change Specialist

**Key duties and responsibilities.** The Climate and Environment Officer will be responsible for the following key objectives:

- a. Provide technical expertise and support in integrating climate change adaptation strategies into project planning, implementation, and monitoring.
- b. Develop and implement environmental management and sustainability plans for the project, ensuring compliance with relevant environmental regulations and standards.
- c. Facilitate the collection, analysis, and use of climate and environmental data for informed decision-making and adaptive management.
- d. Strengthen capacity-building initiatives on climate resilience and environmental sustainability for project staff, fishing communities, and relevant stakeholders.
- e. Foster partnerships and coordination with relevant government agencies, research institutions, NGOs, and other stakeholders working on climate and environmental issues in the fisheries sector.

**Responsibilities:** The Climate and Environment Officer will undertake the following tasks and responsibilities:

- a. Conduct a comprehensive assessment of the climate vulnerabilities and environmental risks in the project area, considering the specific context of artisanal fisheries and fishing communities.
- b. Develop and implement a climate change adaptation strategy, including identifying priority adaptation measures and integrating them into project interventions.
- c. Develop and implement an environmental management plan that includes measures to minimize environmental impacts, promote sustainable resource use, and support ecosystem conservation.
- d. Monitor and evaluate the implementation of climate adaptation and environmental sustainability measures, ensuring their effectiveness and compliance with project objectives and standards.
- e. Provide technical guidance and support to project staff and partners on climate and environmental issues, including climate-resilient fisheries practices, sustainable resource management, and environmental compliance.
- f. Facilitate capacity building initiatives, workshops, and training programs on climate resilience and environmental sustainability for project stakeholders.
- g. Establish and maintain partnerships with relevant stakeholders to enhance collaboration, knowledge sharing, and coordination on climate and environmental matters.
- h. Prepare regular reports on climate and environmental activities, progress, challenges, and lessons learned for project management and donors.

### **Qualifications and Experience:**

- a. A degree in environmental science, climate change, natural resource management, or a related field.
- b. Proven experience (minimum of 5 years) in climate change adaptation, environmental management, or related fields, preferably within the fisheries sector or coastal communities.
- c. Knowledge of climate change science, climate vulnerability assessments, and climate adaptation strategies.
- d. Familiarity with IFAD and GoM environmental regulations, standards, and best practices related to fisheries and coastal ecosystems.
- e. Experience in developing and implementing environmental management plans and monitoring systems.
- f. Strong analytical skills to assess climate and environmental data and make informed decisions.
- g. Excellent communication and interpersonal skills to facilitate capacity building, stakeholder engagement, and partnership development.

h. Ability to work effectively in a multidisciplinary and multicultural team, with a proactive and results-oriented approach.

**Duration and Reporting:** The Climate and Environment Officer will be contracted for an initial period of [duration] and will report directly to the Project Coordinator. The contract may be extended based on performance and project needs.

**Expected outputs:** Climate adaptation and mitigation, including environmental activities are mainstreamed in Project's activities

**Key competences:** Fluent in English and Portuguese. Computer literacy. Good communication and results-oriented skills. Experience in mainstreaming climate adaptation and mitigation issues within both public and private sector organizations. Ability to work in an interdisciplinary team and meet crucial deadlines Working experience with IFAD funded project is an advantage.

### 1.1. **Business and Fishery Value Chain Specialist**

<b>Job title</b>	Markets and Fishery Value Chain Specialist (M&FVC Specialist)
<b>Short description</b>	The M&FVC Specialist is a hired project staff working within IDEPA's Services Directorate for Fishery Commercialization throughout the entire project period; he/she will be charged with the responsibility to help implementation of coordinated interventions under C2, <i>Sustainable entrepreneurship and livelihoods development</i> .
<b>Objective</b>	Ensure that the Project Lead Agency, implementing partners, local governments, consultants, and services providers are guided, recruited and supported in the implementation of project activities related to business.
<b>Results</b>	<ul style="list-style-type: none"> <li>• Individuals and enterprises participating in the artisanal fishery value chain (and in alternative income generating activities) with enhanced capabilities to develop businesses leading to more rewarding incomes.</li> <li>• Backstopping to PROPEIXE PMU and MIMAIP staff involved in project implementation in areas relating to fish markets, production and post-production and associated support services.</li> </ul>
<b>Reporting to</b>	Project Coordinator
<b>Tasks</b>	<ul style="list-style-type: none"> <li>• Provide strategic advice and guide the implementation of Activity Sets 1 (<i>Promote the private upscale of sustainable fisheries technologies</i>) and 2 (<i>Promote the development of sustainable fisheries enterprises</i>); and coordinated interventions with REFP and PROAZUL under Activity Set 3 (<i>Facilitation of access to financial services</i>).</li> <li>• Prepare TOR for hiring consultants to carry out several assignments, including PPP and 4P guidelines and fish markets management models; and outsourcing services for BDS, group enterprise support and PCR promotion.</li> <li>• Coordinate the planning and implementation of several studies to be carried: markets assessments, value chain analysis, development of business models, opportunities for supply chain structuring and others.</li> <li>• Support elaboration and negotiation of MoUs with partners organizations and facilitate coordination during implementation; oversee preparation of operational guidelines and training manuals with BSP in particular.</li> <li>• Help enhance consistency in the delivery of matching grants and other financial products.</li> <li>• Backstop activities of concerned MIMAIP staff at central and local levels</li> </ul>
<b>Qualifications</b>	<ul style="list-style-type: none"> <li>• High degree within relevant field: fisheries, business management or similar</li> <li>• 10 years working experience with Entrepreneurship and Value Chain development</li> <li>• Required set of skills: Analytical skills and strategic oversight</li> </ul>

## 2. **Consultancy Services**

### 2.1. **Assignment: Business development services provision**

<b>Assignment title</b>	Business development services provision
<b>Short description</b>	The BDS provider will be an entity, company or NGO, contracted to help strengthen business capacity of fishery and off-fishery enterprises. The service provider will be charged with the responsibility to assist VC players to develop investments plans, assess their feasibility and present bankable requests for financing and guide beneficiaries throughout the implementation phase.
<b>Overall objective</b>	Support MSMEs engaged in fishery and off-fishery business ventures in the development and management of financially viable businesses.
<b>Scope of work</b>	Working across the five provinces in the project area, the BDS provider extend to: <ul style="list-style-type: none"> <li>• Fishery enterprises in production, post-production and support services as well off-fishery, alternative income generating businesses enterprises;</li> <li>• Business enterprises being developed both by individuals and groups.</li> </ul>
<b>Expected results</b>	<ul style="list-style-type: none"> <li>• Enterprises participating in the artisanal fishery VCs (and in other income generating activities) capable to implement successful businesses leading to more rewarding incomes;</li> <li>• IDEPA, the implementing partners and local governments with enhanced capabilities to support VC participants.</li> </ul>
<b>Tasks</b>	<ul style="list-style-type: none"> <li>• The main tasks of the BDS provider involve: (i) Carry out training of MSMEs to strengthen business skills; (ii) Assist the development of viable business plans and present bankable requests for financing; and (iii) Provide business management support and coach MSMEs;</li> <li>• Development or deployment of existing tools for MSME business plan development and methodologies for entrepreneurship and business management coaching</li> </ul>
<b>Main deliverables</b>	<ul style="list-style-type: none"> <li>• 1,400 MSME's, including enterprises by individuals and groups established and supported</li> </ul>
<b>Qualifications and experience</b>	<ul style="list-style-type: none"> <li>• Strong background in dealing with private sector-led development programs and projects within a developing country context; work experience in Mozambique is an advantage;</li> <li>• Proven experience and knowledge in the execution and design of BDS interventions;</li> <li>• Minimum of 10 years working experience with Rural Enterprises, and Value Chain and/or MSMEs promotion.</li> </ul>

## **12. Senior Rural Infrastructure Engineer**

### **Key Duties and Responsibilities:**

The PROPEIXE Senior Rural Infrastructure Engineer (RIE) will be reporting to the Project Manager (PM) and will be responsible for the full implementation of Sub-component 2.2 activities. Specifically, the RIE will be expected to:

- Participate in the Annual Work Planning & Budgeting of the Project and produce the infrastructure related plans & budgets;
- Contribute to potential interventions identification, screening and prioritization;
- Develop the Terms of Reference (ToRs) for the consulting firms (consultants) to be contracted to design and supervise the infrastructure related works (roads rehabilitation, fish market rehabilitation/upgrade, cold storage and processing facilities, etc.);
- Manage the contracting and supervision of the consultants;
- Review the consultants design reports, including drawings, technical specifications, Bill of Quantities (BoQs) and cost estimates, to ensure completeness and compliance with policies, guidelines & standards;
- Verify and approve consultants' invoices;
- Take part in the bidding process of infrastructure related construction/rehabilitation by: contributing to the preparation of bidding documents, tendering of works, providing clarifications to bidders, technical and financial evaluation of bids and recommendation for the award of contracts;
- In collaboration with the Procurement Officer, manage the contracting process for the infrastructures related construction/rehabilitation contracts;
- Before infrastructure works begin, verify and approve the project implementation plan presented by the contractor;
- Monitor the construction progress and compliance with the contract specifications, implementation plans and timeframe to ensure that planned time, cost and quality are adhered to. Additionally, ensure the supervising consultants are performing as expected, receive and review construction progress reports, participate in periodic site meetings, verify and approve contractors' payments submittals (Interim Payment Certificates, Variation Orders, Completion Certificates, etc.) and manage notifications to the contractors (defects, liquidated damages, etc.) and any other issues as specified in the general and special conditions of contracts;
- Identify the required Operation and Maintenance (O&M) trainings for the different categories of infrastructure implemented, and supervise the delivery of the trainings as necessary;
- Participate in stakeholder meetings & workshops that are of interest to the implementation of infrastructure;
- Provide assistance to the PMU to support the implementation of other PROPEIXE activities requiring engineering advice and expertise;
- Produce scheduled progress reports on the implementation of the infrastructure activities;
- Assist the PMU in the preparation and organization of the project implementation support missions, supervision missions and mid-term review mission, and implement missions recommendations and agreed actions related to sub-component 2.2;
- Any other functions as the PM may assign.

### **Key Qualifications and experience:**

- A minimum of a Bachelors' Degree in Infrastructure Engineering or an equivalent field;
- A minimum of ten (10) years general professional experience in rural infrastructure management, with specific focus on fishery related infrastructure;
- Proven experience and familiarity with field work related to rural communities development;
- Experience with projects funded by an international funding agency would be a strong advantage;
- Proven ability to interact competently with provincial authorities on issues relating to rural infrastructure development;

- Excellent oral and written communication skills in Portuguese and English;



### **13. Procurement Specialist**

The Procurement Officer, in collaboration with other NPMU staff, will be responsible for carrying out procurement planning and implementation ensuring that sound procurement practices are applied consistently as prescribed by the relevant national laws, regulations and policy documents and in accordance with the provisions of the Financing Agreement with IFAD and the Procurement Arrangements Letter, IFAD's Procurement Guidelines and Procurement Handbook.

The duration of the contract is two (2) years with possible extensions subject to satisfactory performance. The Procurement Officer will report to the National Programme Coordinator.

#### **Roles and responsibilities:**

- As part of the PIU management team, and in collaboration with the PMU National Programme Coordinator and the technical and finance staff, participate in the formulation AWPBs and provide inputs on procurement.
- Prepare the Procurement Plan for submission to IFAD for review and no objection, and to the IDEPA Director General for approval.
- Update the procurement plans as needed for submission to IFAD for review and no objection, and to the IDEPA Director General for approval;
- Identify sources of supply, evaluate supplier eligibility and maintain a list of pre-qualified suppliers/contractors
- Undertake the procurement of goods, works and services at the NPMU in compliance with the IFAD project procurement guidelines, the PIM and the project procurement manual.
- Organize meetings for Bids opening and tender evaluations, and maintain record of minutes of the proceedings, decisions and agreed actions.
- Provide training and assist NPMU staff and the implementing agencies to prepare the procurement documents and ensure that appropriate procurement process and procedures are followed in compliance with the IFAD project procurement guidelines, the PIM and the project procurement manual.
- Draft Contract Documents and follow up on the contracts signing process.
- Supervise the process and procedures of contract management of the goods, works and services procured by the implementing agencies to ensure compliance with the IFAD project procurement guidelines, the PIM and the project procurement manual.
- Update regularly "actual" against "plan" procurement data and information in the procurement plan and monitor procurement progress towards the achievement of procurement schedules; Prepare and update regularly contract monitoring tool (CMT).
- Prepare a Procurement progress report at the end of month and no later than 2nd Tuesday of the following month, for submission to the National Programme Coordinator.
- Work closely with E&S Safeguards Specialist to ensure that environmental and safeguard requirements are incorporated into the project procurement plans.
- Maintain and keep all records of project procurement and contract documents at the PMU in appropriate files.
- Follow up on any issues related to Procurement, identified in the Supervision Mission Report and Audit Report.
- Advise and propose mitigation measures for non-performance of contracts and report any identifiable indicators of fraud, collusion and other unethical practices in procurement and contracting process.

#### **Qualifications, experience and competences**

- At least a bachelors' degree qualification in public procurement, supply chain management, logistics, economics, business administration, engineering, project management, law or a related field.
- At least five years of relevant working experience.
- Experience working with national procurement regulations.
- Knowledge and experience of procurement rules and procedures of multilateral donor institutions (IFAD, AFDB, WB, EU, USAID, DFID, UN, etc).
- Computer proficiency in Windows, MS Office, Excel, and Power Point and internet.
- Good analytical, negotiation, communication and report writing skills.
- Ability to work in a team.

#### **14. Environment and Climate Change Specialist**

**Key duties and responsibilities.** The Climate and Environment Officer will be responsible for the following key objectives:

- a. Provide technical expertise and support in integrating climate change adaptation strategies into project planning, implementation, and monitoring.
- b. Develop and implement environmental management and sustainability plans for the project, ensuring compliance with relevant environmental regulations and standards.
- c. Facilitate the collection, analysis, and use of climate and environmental data for informed decision-making and adaptive management.
- d. Strengthen capacity-building initiatives on climate resilience and environmental sustainability for project staff, fishing communities, and relevant stakeholders.
- e. Foster partnerships and coordination with relevant government agencies, research institutions, NGOs, and other stakeholders working on climate and environmental issues in the fisheries sector.

**Responsibilities:** The Climate and Environment Officer will undertake the following tasks and responsibilities:

- a. Conduct a comprehensive assessment of the climate vulnerabilities and environmental risks in the project area, considering the specific context of artisanal fisheries and fishing communities.
- b. Develop and implement a climate change adaptation strategy, including identifying priority adaptation measures and integrating them into project interventions.
- c. Develop and implement an environmental management plan that includes measures to minimize environmental impacts, promote sustainable resource use, and support ecosystem conservation.
- d. Monitor and evaluate the implementation of climate adaptation and environmental sustainability measures, ensuring their effectiveness and compliance with project objectives and standards.
- e. Provide technical guidance and support to project staff and partners on climate and environmental issues, including climate-resilient fisheries practices, sustainable resource management, and environmental compliance.
- f. Facilitate capacity building initiatives, workshops, and training programs on climate resilience and environmental sustainability for project stakeholders.
- g. Establish and maintain partnerships with relevant stakeholders to enhance collaboration, knowledge sharing, and coordination on climate and environmental matters.
- h. Prepare regular reports on climate and environmental activities, progress, challenges, and lessons learned for project management and donors.

#### **Qualifications and Experience:**

- a. A degree in environmental science, climate change, natural resource management, or a related field.
- b. Proven experience (minimum of 5 years) in climate change adaptation, environmental management, or related fields, preferably within the fisheries sector or coastal communities.
- c. Knowledge of climate change science, climate vulnerability assessments, and climate adaptation strategies.
- d. Familiarity with IFAD and GoM environmental regulations, standards, and best practices related to fisheries and coastal ecosystems.
- e. Experience in developing and implementing environmental management plans and monitoring systems.
- f. Strong analytical skills to assess climate and environmental data and make informed decisions.
- g. Excellent communication and interpersonal skills to facilitate capacity building, stakeholder engagement, and partnership development.
- h. Ability to work effectively in a multidisciplinary and multicultural team, with a proactive and results-oriented approach.

**Duration and Reporting:** The Climate and Environment Officer will be contracted for an initial period of [duration] and will report directly to the Project Coordinator. The contract may be extended based on performance and project needs.

**Expected outputs:** Climate adaptation and mitigation, including environmental activities are mainstreamed in Project's activities

**Key competences:** Fluent in English and Portuguese. Computer literacy. Good communication and results-oriented skills. Experience in mainstreaming climate adaptation and mitigation issues within both public and private sector organizations. Ability to work in an interdisciplinary team and meet crucial deadlines Working experience with IFAD funded project is an advantage.

## **16. Fisheries Specialist**

The Fisheries Specialist will carry out the following tasks and take responsibilities for the following activities leading to Output 1, leading to Effective Fisheries Management:

### **i) Support the implementation of action research focused on fishing trials to demonstrate improved/selective fishing methods and techniques and training of artisanal fishers that includes:**

- a) Planning and implementing and monitoring of activities that promote responsible artisanal fisheries in both inshore and offshore fishing grounds;
- b) Work with InOM to design, mount and test improved fishing gears in both inshore and offshore fishing areas;
- c) Working with InOM to collect information and data to facilitate assessment of the technical, economic, and social viability of the proposed new fishing gear and practices;
- d) Planning and implementation of training and outreach activities by extension workers for uptake of those trials and operations that prove to be successful;
- e) Planning and supporting the development of artisanal fisheries co-management plans, monitoring and evaluation of performance;
- f) Training of CCPs on fisheries co-management, including that definition of roles responsibilities of various stakeholders and building their capacity for leadership and governance;
- g) Planning and implementation monitoring of artisanal catches through capacity building and demonstrations based on evidence collected by the CCPs and artisanal fishermen in collaboration with ADNAP.
- h) Dissemination of results of fishing trials and artisanal co-management plans at village level

### **ii) Support InOM to survey and map potential areas for promotion of mariculture activities:**

- a) Working with InOM, map out potential areas for mariculture, produce geospatial maps and develop criteria for selection of suitable mariculture sites;
- b) Supporting InOM in implementing the pilot mariculture trials with selected farmers in the project areas.
- c) Support capacity building of artisanal farmers in mariculture by developing training modules, strategy and plan, conduct of training of extension staff and farmers on improved/new mariculture techniques.
- d) Providing the technical backstopping for procuring all the materials for mariculture trials and training of extension staff on farming techniques.
- e) Acting as a liaison between the activity implementation agencies including ADNAP, IDEPA, InOM and the Fisheries School.
- f) Dissemination of results of mariculture trials and models at village level

### **iii) Work with InOM in mapping out sensitive and degraded habitats with the mangroves, coral reefs and seagrass beds for rehabilitation:**

- a) Planning and implementation of participatory identification of high priority areas for restoration and protection, using ecosystem-based approaches, secondary data and empirical evidence from the coastal communities;
- b) Supporting community effort towards the development of mangrove tree nurseries and production of mangrove seedlings for both planting and re-planting;
- c) Working with InOM and ADNAP in developing criteria for inclusion of coral reef and seagrass beds in the fisheries co-management plans.
- d) Supporting the Climate Change and Adaptation Specialist in Piloting new technologies such as energy efficient stoves as well as pilot risk mitigation measures such as weather asset insurance schemes.

**iv) Support INAM in equipping a meteorological station to provide updated information to fishers and thereby strengthen the availability of suitable tools for climate resilience:**

The Fisheries Specialist will work with INAM, INGD and ADNAP in:

- a) Establishing and/or enhancing climate information systems and early warning systems at the community and regional levels;
- b) Support the implementation of a user-friendly platform to provide timely and accurate climate information to fishing communities, enabling them to make informed decisions and take appropriate adaptive measures;
- c) Including access to weather forecasts, oceanographic data, and relevant climate-related information through suitable media and platforms;
- d) Providing targeted capacity building and training programs for fishing communities and value chain actors on climate adaptation strategies;
- e) Training on climate-resilient fishing practices, climate risk assessment and management, and the use of climate information and early warning systems;
- f) Building the capacity of stakeholders enhances their ability to respond to climate challenges and integrate adaptation measures into their activities;
- g) Improving disaster risk management and climate adapted technologies
- h) Profiling sustainable fishing activities and other forms of livelihoods that emerge through the piloting under this component entrepreneurship development support in SC2.1 and SC 2.2.

**v) Gender mainstreaming:**

- a) The Fisheries Specialist will ensure that gender issues are mainstreamed, and women empowered to participate in fishery and mariculture trials and experimentation.

**5.0 ACADEMIC QUALIFICATIONS AND WORK EXPERIENCE**

- i) Bachelor or Masters' Degree in Fisheries, Aquaculture, Aquatic Sciences or Environmental Studies, or equivalent with at least 5 years of experience in Fisheries Management/Aquaculture, Frame Surveys, Catch Assessment Surveys and Fisheries Databases.
- ii) Knowledge and experience in building capacity of stakeholders through advisory skills and facilitating multi-stakeholder consultation processes, participatory tools and techniques will be an added advantage.
- iii) In-depth understanding of Government policies and programming in fisheries management, conservation and development in Mozambique.
- iv) Proven track record in fisheries policies, strategies, guidelines, training manuals development and training facilitation on fisheries management.
- v) Experiences that demonstrate high quality attributes on leadership, facilitations and coaching and innovativeness.
- vi) Ability to work in a multi-disciplinary team and facilitate the working of other team members;
- vii) Excellent communications skills - spoken and written, both in Portuguese and working knowledge of English is desirable for purposes of good report writing skills;
- viii) Good inter-personal skills and capacity to work effectively with a range of institutions.

**6.0 PREFERENCES**

- i) Candidate having experience in Fisheries Management, Fisheries Co-Management, Monitoring, Control and Surveillance, Stock Assessment and Fisheries Databases;
- ii) Candidate having experience in planning and implementation of fisheries development in relation to the fish value chains;
- iii) Understanding of the planning and reporting system and procedures of IFAD

**7.0 Supervision of the contracted experts/staff and Administrative Control**

All the contracted experts/staff will be accountable to the Programme Coordinator, as per TOR and Financial Laws, Public Procurement Laws and Regulations and other related rules and directives. He/she will be supervised and administered by the Programme Coordinator or designated personnel of the PCO/PCU.

#### 7.1 Performance Assessment and Renewal of Contracts

- i) The annual contract will be renewed annually up to the Programme closure period upon the assessment of performance and the recommendation of the Mid-term Review Mission.
- ii) The performance assessment of the position will be based on the quality and timely completion of the tasks assigned as per ToR. Details on the indicators for performance assessment will be based on the activities performed during the contract period with IDEPA. IDEPA reserves the right to terminate the contract if the performance is assessed as unsatisfactory.
- iii) The individuals' personal behaviour regarding the non-compliance with ToR, undisciplined, professional misconduct with stakeholders and colleagues, sexual abuse, drunkenness, etc. are subject to cancellation of the contract at any point of time by IDEPA management.
- iv) The contract period as well as Terms of Reference are subject to revision/update annually per requirement of IDEPA based on planning trajectory, modification in PROPEIXE project design, or as recommended by Joint Review/Supervision Missions and lessons learned during the course of implementation.

#### 8.0 DURATION

The appointment will be on contract terms and renewable annually, depending on performance and evaluation through the MIMAIP/IDEPA staff appraisal system.

## **18. Social Inclusion Expert**

The SI expert in the PMU is responsible for the operationalization of gender and nutrition activities, as well as youth mainstreaming and social inclusion and targeting strategies. The position is full time for the all duration of the project.

### **Main tasks and responsibilities:**

- In line with gender, nutrition, youth and social inclusion activities (as per design document) prepare an Annual Work Plan and Budget for the implementation of specific activities every year and submit to the coordinator;
- Ensure adequate integration of gender, nutrition, and youth in the M&E system, Annual Work Plan and Budget and Progress reports;
- Ensure effective targeting of the Project's beneficiary groups in accordance with the defined Project targeting criteria and the Gender and Social Inclusion (GESI) strategy;
- Contribute to the planning, monitoring and reporting of the Project and integrate GESI throughout the Project cycle in accordance with the GESI, youth and nutrition action plan;
- Identify, in collaboration with the M&E and the relevant institutional partners, a list of key GESI, youth and nutrition related indicators, disaggregated by sex, age and socio-economic status, to be included in the Project M&E plan;
- When and if necessary, assist the Project implementing partners to develop gender sensitive and gender responsive monitoring mechanism;
- Coordinate all Project activities related to GESI, youth and nutrition as defined in the Project work plan and budget;
- Identify gaps in GESI, youth and nutrition knowledge and capacity within the Project implementing team and partners and institutional counterparts limiting the successful implementation of Project activities and propose solutions to address these gaps;
- Based on the above assessment, support the organizing and delivery of trainings, including the identification of specific subject matter experts, including for the mobilization strategy and effective identification of target groups according to targeting criteria and outreach outcomes;
- Provide regular orientation and advise on GESI, youth and nutrition related activities to the Project implementing team and partners to achieve the proposed Project objectives and targets;
- Ensure good communication and dissemination of resource materials addressing GESI and nutrition and reflecting the activities performed within the Project;
- Facilitate policy dialogue on Project promoted issues on GESI, youth and nutrition within government and other relevant stakeholders;
- Document lessons learned and best practices in order to strengthen evidence-based in GESI and nutrition in the areas and beneficiary groups targeted by the Project
- Support and follow up on knowledge product and publications related to gender and nutrition;
- Support and follow up on the recruitment of gender expert for Gender Policy; development and follow up and supervise the work of the expert and final deliverables.
- Support and follow up on the recruitment of nutrition expert to support nutrition mainstreaming as part of the policy. Follow up and supervise the work of the expert and final deliverables;
- Support and follow up for the recruitment of service provider for nutrition related activities;
- Support preparation of materials and take the lead in the organisation of thematic workshops on gender and nutrition at national level for policy makers (through dissemination of findings from gender and nutrition studies/reports) as well as at Provincial level;



- Provide support to the organisation of GALS workshops;
- Provide overall guidance, training support to service providers, implementing partners and involved community facilitators to organize separate consultation with women and vulnerable categories as part of mobilisation/consultation activities as well as (ii) participate in key field activities.
- After consultation with vulnerable groups, on the basis of consultation results, define a detailed Disability Inclusion Strategy and related activities as part of IGA, youth skills training planned under relevant components and ensure service provider will include PwDs. Follow up and track progress of implementation.
- Provide checklist to community facilitators to ensure that participatory planning process comply with gender and social inclusion principles of the project as well as disability inclusion;
- Conduct constant review of project implementation processes on how to achieve the best possible project outcomes with respect to targeting, gender equality, women's empowerment, nutrition and social inclusion with key focus on youth and vulnerable categories (PWD);
- Coordinate capacity building and training sessions on Nutrition sensitive, gender-sensitive and youth sensitive interventions for project staff, implementers. The training should also include specific information on safeguard instruments for avoiding GBV, SEA and key information about GRM.

**Expected outputs:**

- Delivery of AWPB, Progress reports, project documentation related to gender, nutrition, youth and social inclusion issues and activities;
- Finalisation of ToRs and recruitment of Service Provider (SP) Nutrition Interventions
- Finalisation of ToRs and recruitment of Gender Expert and Nutrition Expert to conduct Policy development;
- Identification of activities for Person with Disabilities and related implementation;
- Appropriated social safeguard instruments into operations are set;
- Training for key stakeholders conducted at all levels;

**Qualification and experience :** At least 5 years' experience in (i) conducting and coordinating gender, nutrition and social inclusion activities; (ii) gender and M&E and reporting (iii). Previous working experience with International Organizations in Gender in the artisanal fishery sector. Nutrition background would be an important asset considering the relevance of nutrition activities included. Familiarity with IFAD targeting, GESI and youth policies and implementing guidelines is desirable.

## **20. GALS Consultant**

### **Main tasks and responsibilities:**

The consultant will undertake the following tasks, under the general supervision of the SI expert in the PMU and in close coordination with IFAD Country Office.

- Roll out GALS catalyst process;
- Organize a total of 17 workshop for the GALS catalyst process during 4 years of implementation (8 workshops in Y1, followed by 4 in Y2, 4 in Y3 and a conclusive workshop in year 4); Tasks will include: select participants in close collaboration with Propeixe partners, venue selection and set up, organize hotel bookings and meals, etc. ii) agenda setting, iii) selection of GALS champions v) facilitation.
- Prepare related training materials as well as adapt the GALS tools based on the project context;
- Ensure monitoring and implementation support over the implementation period as required;
- Conduct monthly supervision missions to the selected districts;
- Knowledge management on good / bad practices related to the implementation of activities.

### **Key requirements:**

- Strong consolidated experience on the GALS;
- Sound technical experience on participatory methodologies, promotion of gender equality and women's empowerment and nutrition;
- Previous experience of working with IFAD will be an asset;
- Flexibility and ability to work in rural context and in the fishery sector;
- Demonstrated capacity of reporting.

### **Expected deliverables:**

- Organize the GALS workshops;
- Training Materials prepared and tools customized;
- Monthly reports containing (i) report of missions conducted, with quantitative and qualitative information on GALS roll out, (ii) identification of good / bad practices related to the implementation of activities.

**Timeline:** 240/250 days over 4 years of implementation, being the first year 50% ( 120 days) and reduced in the subsequent years.

## **22. Senior Gender Policy Consultant**

The Senior Gender Consultant will be responsible to work with IDEPA and support the development of the National gender policy in the artisanal fishery (AF) sector and action plan. The incumbent will also be responsible to coordinate with other technical experts (e.g. Nutrition) to ensure proper gender-nutrition mainstreaming. Overall will coordinate with the PMU social inclusion Expert on every steps of his/her work.

### **Main Tasks and responsibilities:**

- Conduct a desk review to identifying gender policy gaps as part of the artisanal fishery sector and key actions to address it;
- Identify and document good practices in the development of gender transformative policies and ensure inclusion of good practice in the development of the new policy for the AF sector;
- Conduct desk research on the gender responsive policy, and a gender analysis of trends in the AF policy landscape in the African context; including consultation with key partners involved;
- Conduct interviews with key stakeholders (example: policy makers, gender and policy experts, etc. as well as field research among communities) to inform the policy development process and capture key issues;
- Conduct field work and Focus Group Discussion with women from fishery communities from selected provinces in the North, South and Central Mozambique.
- Work in coordination with nutrition expert to ensure mainstream of nutrition;
- Consolidate results (desk review and consultation) into a Draft Gender in AF Policy document, including an action plan with key roles and responsibilities.
- With support from Implementing partners (IDEPA) organise a workshop for dissemination and validation of results involving multiple stakeholder and proceed with finalisation for Policy submission and Approval.

### **Requirements:**

- Extensive experience in research and participatory research methodologies and approaches, with a preference for gender research methodologies and practices
- Excellent understanding of advocacy and policy reform and trends especially in the AF sector and implication for women;
- Excellent analytical skills and a strong experience in gender policy analysis;
- Excellent report writing and presentation skills and ability to present ideas in a coherent and creative manner;
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### **Expected Deliverables:**

- Develop a well written and formatted Gender Policy in the artisanal Fishery Sector and Action Plan (with concrete case studies and good practice as references)
- Develop a PowerPoint presentation on the Gender Policy to be presented during the consultation and validation workshop organized at National level. Facilitate the workshop and collect feedback for the document;
- Develop communications materials in collaboration with implementing agency, to ensure proper information and dissemination is done at Province level.

## **24. Nutrition Specialist (Nutrition Education and SBCC)**

Duration: 7 months over duration of project (on when actually employed basis. Under the supervision of the Program Director/Coordinator (PMU), the Nutrition Specialist will work closely with PMU social inclusion specialist and provide support to the preparation and conduct of nutrition education and SBCC training modules, development of SBCC tools and materials.

### **Main tasks and responsibilities:**

- Provide inputs for methodology for conducting assessments including Knowledge, Attitudes and Practices (KAP), farming households' dietary intake and gathering information on locally available foods, dietary habits, and patterns of seasonal availability as well as cost (at baseline, mid-term and at end).
- Review and assess current Social and Behavior Change Communication (SBCC) activities related to nutrition as well as key partners, activities, and materials.
- Design and carry out a mixed-method rapid participatory nutrition education and SBCC assessment to inform the development of SBCC activities/materials.
- Based on the SBCC rapid study findings, design relevant nutrition education and SBCC training modules, including appropriate tools and handouts.
- Develop a series of nutrition education and SBCC promotional materials in format that is suitable for different audiences, including proposal for ICT technology (radio, TV, mobile and etc.) to reach out wider consumers for encouraging increased consumption of dairy and encourage healthy diets.
- Work closely with the service provider to ensure that nutrition education and SBCC training modules are well integrated into their implementation plan.
- Conduct rapid ToT on nutrition education and SBCC for project field staff, project service provider, district staff, agriculture extension staff.
- Provide inputs to a national workshop to share lessons, materials, and create national awareness across sectors/stakeholders.

### **Competencies:**

- Bachelor's degree in social sciences, nutrition, communication, or related field
- Good understanding of behaviour change communication theory aware of good nutrition education SBCC strategies/examples, with previous similar experience will be an asset.
- At least 3-5 years of experience in designing nutrition education and social behaviour change communication materials.
- Experience in conducting participatory research, KAP surveys.
- Good knowledge of nutrition, its causes, and drivers (underlying causes) in Mozambique context.
- Working experience in nutrition education, programmes on household food security
- Proficient in the use of computer programs to design materials.
- Good communication skills
- Languages: fluency in Portuguese and excellent knowledge of English

### **Expected Outputs:**

- ToT on nutrition and SBCC for households and communities prepared.
- ToT on nutrition and SBCC conducted for project field staff, project service provider, district staff, agriculture extensions staff.
- Nutrition education and SBCC materials developed in Portuguese and English.

- Nutrition awareness campaigns conducted in close collaboration with the KM and SI Specialists of PMU

## **26. Service Provider - Nutrition-sensitive interventions**

The project will engage a service provider to support nutrition-sensitive interventions at community and households levels. In addition, the service provider will support the implementation of nutrition education and SBCC relevant activities.

Duration: for entire project duration

### **Main Tasks and Responsibilities:**

Service Provider will be engaged to support PMU and will be responsible to:

- Support in selection and re-confirmation of households that will be targeted and supported by nutrition, in line with pre-defined selection criteria.
- Sensitize communities and households in targeted areas on the project and nutrition relevant interventions proposed.
- Provide trainings on nutrition kitchen garden establishment/maintenance, including provision of relevant nutrition package inputs.
- In collaboration with Nutrition consultant and PMU Social Inclusion Specialist contribute to the development of nutrition education and SBCC trainings and relevant materials.
- Support the conduct of ToT on nutrition education and SBCC for project staff, district staff and agriculture extension.
- Implement nutrition education and SBCC at community and households levels.
- Support village nutrition days and or any relevant venues where nutrition sensitization can be provided to various audience.
- To implement communication interventions aimed at increasing the willingness to buy, grow or consume nutritious foods and dairy products.
- To implement nutrition education and communication campaign aimed at promoting commercialization and consumption of high quality and safe fish products. The implementation should include an approach to improve awareness and demand for fish products targeting value chain actors to promote adoption of improved technology, quality and standard application by farmers and consumption amongst farming households and other consumers in the implementation areas.
- Liaise with the project team, nutrition and gender specialists, and development partners/Ministries.
- Travel frequently to the districts to meet with communities and households and assess their acceptance and changes in terms of knowledge, attitudes and practices in consuming more diversified foods.
- Visit communities frequently to assess effectiveness of linkages and areas of improvement/scaling-up.
- Collect lessons learned on uptake and challenges in implementing nutrition education and SBCC at various levels.

### **Required competencies:**

- Capacity and proven records of supporting community and household food security, nutrition and livelihoods.
- Excellent understanding of agricultural systems, diets, and institutions.
- Excellent knowledge of nutrition, its causes, and drivers (underlying causes).
- Working experience with farmer's groups/rural communities.
- Experience in conducting participatory research.
- Experience in conducting nutrition education and SBCC.
- Excellent communication skills.

### **Expected Outputs:**

- Nutrition education and SBCC communication materials readily available and distributed to communities
- Households supported with nutrition kitchen gardens and provision of relevant packages/inputs

- Nutrition education and SBCC conducted to selected households and communities
- Homestead food processing and preservation trainings implemented and relevant inputs distributed
- Village Nutrition days have been celebrated and supported
- The social behavioural change campaign implemented using various channels (TV, radio)
- Provision of reports, including attendance list, campaign reports, all communication materials, and documents etc.

## **28. Climate and Environment Expert**

### **Key duties and responsibilities**

The Climate and Environment Officer will be responsible for the following key objectives:

- a. Provide technical expertise and support in integrating climate change adaptation strategies into project planning, implementation, and monitoring.
- b. Develop and implement environmental management and sustainability plans for the project, ensuring compliance with relevant environmental regulations and standards.
- c. Facilitate the collection, analysis, and use of climate and environmental data for informed decision-making and adaptive management.
- d. Strengthen capacity-building initiatives on climate resilience and environmental sustainability for project staff, fishing communities, and relevant stakeholders.
- e. Foster partnerships and coordination with relevant government agencies, research institutions, NGOs, and other stakeholders working on climate and environmental issues in the fisheries sector.

### **Responsibilities:**

The Climate and Environment Officer will undertake the following tasks and responsibilities:

- a. Conduct a comprehensive assessment of the climate vulnerabilities and environmental risks in the project area, considering the specific context of artisanal fisheries and fishing communities.
- b. Develop and implement a climate change adaptation strategy, including identifying priority adaptation measures and integrating them into project interventions.
- c. Develop and implement an environmental management plan that includes measures to minimize environmental impacts, promote sustainable resource use, and support ecosystem conservation.
- d. Monitor and evaluate the implementation of climate adaptation and environmental sustainability measures, ensuring their effectiveness and compliance with project objectives and standards.
- e. Provide technical guidance and support to project staff and partners on climate and environmental issues, including climate-resilient fisheries practices, sustainable resource management, and environmental compliance.
- f. Facilitate capacity building initiatives, workshops, and training programs on climate resilience and environmental sustainability for project stakeholders.
- g. Establish and maintain partnerships with relevant stakeholders to enhance collaboration, knowledge sharing, and coordination on climate and environmental matters.
- h. Prepare regular reports on climate and environmental activities, progress, challenges, and lessons learned for project management and donors.

### **Qualifications and Experience:**

- a. A degree in environmental science, climate change, natural resource management, or a related field.
- b. Proven experience (minimum of 5 years) in climate change adaptation, environmental management, or related fields, preferably within the fisheries sector or coastal communities.
- c. Knowledge of climate change science, climate vulnerability assessments, and climate adaptation strategies.
- d. Familiarity with IFAD and GoM environmental regulations, standards, and best practices related to fisheries and coastal ecosystems.
- e. Experience in developing and implementing environmental management plans and monitoring systems.
- f. Strong analytical skills to assess climate and environmental data and make informed decisions.



- g. Excellent communication and interpersonal skills to facilitate capacity building, stakeholder engagement, and partnership development.
- h. Ability to work effectively in a multidisciplinary and multicultural team, with a proactive and results-oriented approach.

**Duration and Reporting:**

The Climate and Environment Officer will be contracted for an initial period of [duration] and will report directly to the Project Coordinator. The contract may be extended based on performance and project needs.

**Expected outputs:**

Climate adaptation and mitigation, including environmental activities are mainstreamed in Project's activities

**Key competences:** Fluent in English and Portuguese, Computer literacy Good communication and results-oriented skills Experience in mainstreaming climate adaptation and mitigation issues within both public and private sector organizations. Ability to work in an interdisciplinary team and meet crucial deadlines. Working experience with IFAD funded project is an advantage.

**Annex IV - Templates of the Agreements/ strategic partnerships**

PROPEIXE

**5.5 PARTNERSHIP AGREEMENT BETWEEN IDEPA AND THE ROAD FUND/ANE, EDM AND FUNAE**

(Template)

Between, IDEPA as Lead Partner, represented in this act by [*Name, position, address, etc.*] and ADNAP, INOM, Road Fund, ANE, EDM, NGOs, etc. as Implementing Partners, represented in this act by [*Name, position, address, etc.*], the following has been agreed:

<i>Contents of the Partnership Agreement</i>	<i>Comments</i>	<i>Specific content according to the Implementing Partner</i>
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<p>1. Project objectives and outcomes</p> <p>PROPEIXE would be jointly promoted through the cooperation between the government of Mozambique (GoM) and the International Fund Agriculture Development (IFAD) with the following objectives:</p> <p>a) <u>Goal</u>: “sustainably increase the incomes, nutrition and food security by addressing the main barriers to sustainable production and marketing for artisanal fisheries”.</p> <p>b) <u>Project Development Objective</u>: “increase the sustainability of fishery value chain returns, by promoting responsible fisheries, community conservation and restoration of ecosystems and biodiversity, while also supporting fishery community resilience through diversification of livelihoods”.</p> <p>c) Project outcomes:</p> <ul style="list-style-type: none"> <li>· The outcome of component 1 will be “a more productive and resilient coastal fishery”.</li> <li>· The outcome of component 2 will be “improved resilience and profitability of artisanal fisheries derived income and local livelihoods”</li> </ul>	<p><i>This content may optionally be replaced by a reference to the PROPEIXE documents</i></p>	<p>The project Component 1 is “Resilient artisanal fisheries and ecosystem management”. It has the following subcomponent:</p> <ul style="list-style-type: none"> <li>· Sub-component 1.1: Resilient artisanal fisheries and ecosystem management.</li> </ul> <p>The project Component 2 is “Inclusive fisheries value chain development”. It has the following subcomponents:</p> <ul style="list-style-type: none"> <li>· Sub-component 2.1: “Value chain driven, and climate resilient infrastructure development”</li> <li>· Sub-component 2.2: “Entrepreneurship and livelihoods diversification”</li> </ul> <p>The project (IDEPA) will partner with national institutions for delivery of outputs.</p>
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2. Subject of the partnership

Through the Partnership Agreement, the partners should define the conditions under which the implementation work will be carried out by each as well as the relations that should govern them during the duration of the agreement.

*The definition of the subject can be either general (as in the text) or indicate in broad terms the specific sphere for each partnership*

Road Fund (FE): The Road Fund (FE) is responsible for sector finance and monitoring. This includes sector financial planning, preparation of annual Contract Programs with implementing partners, management of sector disbursements, and sector monitoring, evaluation, and reporting. Within the context of PROPEIXE, RF will disburse funding for road improvement and maintenance implemented by ANE, its provincial delegations and beneficiary district governments based on approved work plans and budgets. Ensure that contractors, consultants, and service providers are paid on time. Reconcile disbursements, request replenishment of funds, audit accounts and submit physical and financial progress reporting to IDEPA on behalf of the implementing partners for which separate contract programs will be elaborated with the FE.

Electricidade de Moçambique (EDM): Plan, design, contract and supervise power supply (grid electricity) projects to fishing centres as identified by IDEPA based on agreed work plans and budgets.

Fundo Nacional de Energia (FUNAE): Plan, design, contract and supervise isolated power supply pilot projects to selected important fishing centres as identified by IDEPA and based on agreed work plans and budgets; provide mentorship and technical assistance to the operators during the operation phase.

<p>3. Duration</p> <p>This agreement should take effect on the date of its signature by the two partners and shall remain in force until <i>[specify date of termination]</i>.</p>	<p><i>A specific period of time (e.g., 12 months or 2 years from a particular date) can also be specified.</i></p>	<p>Road Fund (RF): ... years (&lt;7), starting from .../.../2024</p> <p>Electricidade de Moçambique (EDM): ... years (&lt;7), starting from .../.../2024</p> <p>Fundo de Energia (FUNAE): ... years (&lt;7), starting from .../.../2024</p>
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<p>4. Responsibilities of IDEPA as the Lead Partner</p> <p>4.1 IDEPA would be the sole responsible entity vis-à-vis the sponsors - the GoM, IFAD and, eventually, others.</p> <p>4.2 IDEPA would be responsible for the overall coordination, management, and implementation of the project.</p> <p>4.3 In this quality, IDEPA should manage the funds required for the implementation of the activities covered by the Partnership Agreement in accordance with the conditions established hereby.</p> <p>4.4 IDEPA should guarantee timely commencement of the Partnership Agreement in compliance with all obligations.</p> <p>4.5 IDEPA should notify of any factors that may adversely affect the implementation of the project activities and/or financial plan.</p> <p>4.6 IDEPA should timely transfer the funds to the [Name of the Implementing Partner];</p> <p>4.7 IDEPA should review the appropriate utilisation of the funds by the [Name of the Implementing Partner];</p> <p>4.8 IDEPA should prepare a annual work plans and budgets establishing the activities to be implemented by the [Name of the Implementing Partner] as part of the project;</p> <p>4.9 IDEPA should prepare and submit periodically progress reports and a final report, follow-up financial documentation and financial reports regarding the activities undertaken by the [Name of the Implementing Partner];</p> <p>4.10 [Any other tasks agreed with the Implementing Partner should be included].</p>	<p><i>IDEPA plays a key role which must be clearly defined regarding the Implementing Partner.</i></p> <p><i>These responsibilities can be set out in different ways and the suggested text covers the issues usually required to define them.</i></p>	<p>4.1 IDEPA will transfer funds to a dedicated project account with the implementing partner based on 6-monthly approved budget, work plan and cash flow estimate. Replenishment of funds will take place upon submission of satisfactory physical and financial progress reports and reconciliation of expenses by the implementing partner.</p> <p>4.2 Final responsibility for project identification and approval is with IDEPA.</p> <p>4.3 IDEPA will use its best efforts for the harmonisation and aligning of its projects to the sector policies, strategies and plans thereby reducing the transaction costs for themselves and their implementing partners. IDEPA should also ensure that their project procedures, including planning, management, implementation, accounting, and monitoring mechanisms align with GoM systems and cycles, to minimise multiple and parallel processes and to reduce transaction costs to the maximum extent possible.</p> <p>4.4 IDEPA is committed to ensuring short term and medium-term predictability for the availability of their project funds and will provide a forward <u>indicative</u> commitment. To improve predictability and appropriate resource mobilisation this information will cover a three year or longer forward period.</p> <p>4.5 IDEPA will to the maximum extent possible, make firm commitments within</p>
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		<p>four weeks of the Annual Joint Sector Review Meeting (held in the first quarter of year n) for their funding for the next fiscal year (n+1). Similarly, IDEPA will endeavour to make indicative commitments for n+2, n+3 and n+4 within four weeks of the Joint Sector Mid-Year Review Meeting which will take place in the third quarter of year n. These indicative commitments will be used in February of the following year as the basis for the Medium-Term Expenditure Framework (MTEF). This will ensure optimal alignment with the GoM budget cycle and enable GoM to include the funds within their budget planning process (only relevant for road sub-component).</p> <p>4.6 IDEPA will communicate promptly to the Road Fund any significant changes in the planned level of their support to the sector.</p>
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<p>5. Responsibilities of the [Name of the Implementing Partner]</p> <p>5.1 [Name of the Implementing Partner] is the Implementing Partner organisation that is responsible of undertaking specific PROPEIXE project activities in accordance with the conditions specified in the Partnership Agreement and particularly in the work plan and budget.</p> <p>5.2 [Name of the Implementing Partner] would be responsible for the prompt implementation of the specific activities set out in the project annual work plans or otherwise agreed.</p> <p>5.3 [Name of the Implementing Partner] would be responsible for providing all information and data required by IDEPA to coordinate and monitor the project and carry out all reporting.</p> <p>5.4 [Name of the Implementing Partner] would submit to IDEPA confirmations by independent accountants on the eligibility of its expenditure.</p> <p>5.5 [Name of the Implementing Partner] would be responsible for notifying IDEPA of any factors that may negatively affect the implementation of the project activities that are under its responsibility.</p> <p>5.6 [Name of the Implementing Partner] would be responsible for taking all necessary initiatives to enable IDEPA to comply with its project responsibilities.</p>	<p><i>The Implementing Partner role shall also be clearly defined regarding the Lead Partner.</i></p> <p><i>The suggested text refers examples taken from several partnership agreements.</i></p>	<p>5.1 Implementing Partners agree that key documents relating to their existing and planned sector programmes should be circulated to IDEPA in a comprehensive and timely manner.</p> <p>5.2 Implementing Partners will nominate focal points for the projects planned under the PROPEIXE and to which day-to-day communication will be directed.</p> <p>5.3 Implementing Partners will nominate staff to act as their representatives in the PROPEIXE Project Steering Committees both at provincial and national level.</p>
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<p>5. Activities covered by the Partnership Agreement</p> <p>6.1 The main tasks of IDEPA under this agreement are summarised as follows:</p> <p><i>[number and title of each action]</i></p> <p>6.2 The main tasks of [Name of the Implementing Partner] are summarised as follows:</p> <p><i>[number and title of each action]</i></p> <p>6.3 The work plan would necessarily set out a detailed description of the activities, timescales and the specific budget and should be appended to the Partnership Agreement.</p>	<p><i>It is important that the outputs, activities and other initiatives both of IDEPA and the Implementing Partner are set out in detail under the Partnership Agreement.</i></p> <p><i>Optionally, a short description is included in the main text and a detailed description is in an appendix to the agreement as it suggested in paragraph 6.3.</i></p>	<p>FE (ANE and district governments): The main objective would be to: a) improve ... km of roads important to the fresh fish value chain, b) put ... km of unclassified roads under maintenance through the district governments, c) recruit independent consultants for work supervision, d) provide training to client and contractors staff at provincial and district level and e) recruit the services of a Technical Resource Team for support to the management and implementation of the road projects.</p> <p>EDM: The main objective would be: (a) extend the electricity grid to the fishing centres covered up to a length of ... km of medium voltage power lines and b) the provision of ... transformers to link up the target group. For this purpose, IDEPA would allocate the financing resources that would allow EDM either to undertake the work directly or sub-contracting it according to each annual work plan and budget. An additional amount will be made available for the design and supervision of works through an independent consultant.</p> <p>FUNAE: the main objective is to manage the provision of alternative energy supply to projects on a pilot basis for the purpose of ice making / conservation, including the provision and installation of equipment, maintenance support and training to the private operators either directly by FUNAE or through a service provider.</p>
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<p>7. Ownership of the assets/outputs</p> <p>7.1 The ownership of the assets/outputs after being produced.</p> <p>7.2 The nature of the relation between the operator (concessionaire), beneficiaries and owners when the assets/outputs start being used.</p> <p>7.3 Role of the Implementing Partner during the operation phase.</p>	<p><i>This content only refers to physical outputs generated with the support of the project and covered by the Agreement</i></p>	<p>FE (ANE and district governments): The assets will be owned by the state, i.e., the provincial government (classified roads located in their jurisdiction) and district governments (unclassified roads located within their jurisdiction).</p> <p>EDM: The power lines and transformers will be owned by the state.</p> <p>FUNAE: different ownership models will be tested based for the ice making / conservation units based on the principles of 'public ownership' with annual lease, hire or hire-purchase arrangements and 'private ownership' further subject to the levels of funding required for each pilot project and the local entrepreneurial interest in running an ice plant.</p>
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<p>8. Organisation of the partnership</p> <p>1. For the successful completion of the agreement, a 'joint steering meeting' should be set up. This entity would be responsible for monitoring the implementation of the agreement. The joint meeting would be chaired by IDEPA, and a report should be addressed to the Project Steering Committee. Its members should include IDEPA, a representative of [Name of the Implementing Partner] and any other individuals deemed appropriate by IDEPA. The joint steering meeting should be held on a [define frequency] basis.</p> <p>2. The joint steering meeting would have the authority to delegate specific tasks or responsibilities to subcontractors, as in the case of financial control, monitoring of project activities and evaluation of the outcomes, as well as other tasks as considered appropriate by the Project Steering Committee.</p> <p>3. [The composition of the joint steering meeting, any delegated assignments and the decision-making process should be detailed under this paragraph].</p>	<p><i>There are different models for the organisational structure of a partnership agreement.</i></p> <p><i>As a minimum, there should be a steering entity and the partnership agreement should define its role, composition, and frequency of meetings.</i></p> <p><i>This steering meeting is restricted to the IDEPA representative, and the implementing partner representative and key technical staff involved in the implementation of the activities.</i></p>	<p>RF, EDM and FUNAE: No separate project steering committees will be created. The PROPEIXE Steering Committee at provincial and national level will have representatives from the implementing partners for strategic management of the component.</p> <p>Management, coordination and monitoring at operational level will take place through the creation of a thematic working group (both at provincial and national level) on roads and energy. The groups will report to and work under the guidance of the steering committees. In the thematic group each implementing partner is presented by its focal points and headed by the IDEPA Provincial Delegate (at provincial level) and the Project Coordinator (at national level).</p>
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<p>9. Cooperation with third parties</p> <p>9.1 In case of the involvement of subcontractors [e.g., consultants, contractors, other service providers], [Name of the Implementing Partner] should remain solely responsible to the IDEPA concerning compliance with its obligations.</p> <p>9.2 [Name of the Implementing Partner] should not be allowed to transfer its rights and obligations under this Partnership Agreement without the prior consent of IDEPA.</p> <p>9.3 Cooperation with subcontractors shall be in accordance with procedures set out for public procurement actions.</p>	<p><i>Subcontracting of some tasks to third parties is normal in project implementation and should be allowed under the Partnership Agreement.</i></p> <p><i>In these cases, the sole responsibility of the Implementing Partner vis-à-vis the Lead Partner remains with that first entity.</i></p>	<p>Nothing to be added</p>
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<p>10. Allocated resources and eligible expenditure</p> <p>10.1 IDEPA would prepare a budget setting out an estimate of eligible expenditure and funding required to implement the activities under the Partnership Agreement.</p> <p>10.2 The eligibility of expenditure will be determined based on IFAD procedures and national laws. In principle, expenditure should be eligible if they are:</p> <ul style="list-style-type: none"> <li>(a) directly related with the subject of the output/ activities.</li> <li>(b) necessary for the implementation of the activity, provided that are reasonable and consistent with operational efficiency and economy criteria.</li> <li>(c) actually incurred, identifiable and verifiable in the accounting and taxation records of [Name of the Implementing Partner].</li> </ul> <p>10.3 Eligible expenditure may also include:</p> <ul style="list-style-type: none"> <li>(a) salaries and correspondent social security charges and other remuneration-related costs of staff involved in the implementation.</li> <li>(b) travel and subsistence costs for staff involved in the implementation.</li> <li>(c) equipment purchased at normal market costs.</li> <li>(d) costs of consumables and supplies.</li> </ul>	<p><i>Partnership Agreements contain different approaches to financial provisions, either containing some very general references or including quite detailed provisions.</i></p> <p><i>Anyway, it is essential that the Partnership Agreement contains a basic description of eligible expenditure.</i></p> <p><i>The suggested text goes beyond this and could be used whenever a more detailed description is advisable. In case this approach is not adopted, the appended annual work plans project budgets should be detailed.</i></p>	<p>Ad 10.3, FE (ANE and district governments) / EDM: Not applicable to item a), b), c), d), f), expenditures are only available for the procurement of subcontracted works and services.</p> <p>Ad 10.3 FUNAE: Not applicable to item a) and f), expenditures are available for b) travel and subsistence allowances for staff involved in the implementation, c) equipment purchased at normal market rates and e) subcontracted works and services.</p>
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(e) expenditure on subcontracting activities.

(f) costs corresponding to evaluation activities, dissemination of information, etc.

10.4 IDEPA should be responsible for distributing the funds to *[Name of the Implementing Partner]* if expenditure related with project actions was effectively carried out and certified.

10.5 IDEPA should quantify common management cost and *[Name of the Implementing Partner]* agrees that these would be met by the partnership.

10.6 As already mentioned, appended to the Partnership Agreement there would be the provisional annual budget for each activity to be undertaken by *[Name of the Implementing Partner]* as well as the overall provisional budget for the project.

<p>11. Monitoring, evaluation, and reporting</p> <p>11.1 IDEPA would be responsible for the overall monitoring of the actions undertaken by the project including by implementing partners.</p> <p>11.2 IDEPA would be responsible for submitting the following reports to the Steering Committee and sponsors: <i>[specify the different reports, e.g., for the mid-term review and final evaluation, annual reports, and other periodical reports]</i></p> <p>11.3 <i>[Name of the Implementing Partner]</i> should supply IDEPA with all information required for monitoring, evaluation and reporting.</p> <p>11.4 The reporting obligations and the format required both by <i>[Name of the Implementing Partner]</i> and IDEPA should be described in an appendix to the agreement.</p>	<p><i>Monitoring, evaluation and reporting requirements should be adequate to the nature and dimension of each partnership.</i></p> <p><i>These reports should provide details of the activities undertaken as part of the project, the progress/outcomes achieved against targets, expenditure incurred, explanation for not meeting the work plan's targets both for physical outputs and budget, and proposed corrective measures, as well as any other information deemed relevant.</i></p>	<p>Ad 11.1: RF (ANE and district governments), EDM and FUNAE: Monitoring of projects will take place through a Monitoring Consultant who will be employed and act on behalf of IDEPA. The Monitoring Consultant will be nominated in formal writing to the implementing partners.</p> <p>Ad 11.3: FE (ANE and district governments), EDM and FUNAE: frequency of progress reporting and format of reports will be discussed and agreed upon between IDEPA and the Implementing Partner during the inception phase of the program.</p>
<p>12. Financial procedures and audits</p> <p>12.1 For audit purposes, IDEPA and the <i>[Name of the Implementing Partner]</i> should:</p> <p>(a) agree to carry out audits.</p> <p>(b) keep all data concerning the project at least for years <i>[specify the number of years]</i> following the final payment,</p> <p>(c) ensure that the audits can be carried out with all the</p>	<p><i>The suggested text covers the main concerns on this subject. Concerning the time that project documents must be kept, it should be adopted the longer period of time according to the practices of the country or IFAD.</i></p>	<p>Ad 12.1: RF (ANE and district governments), EDM and FUNAE: Auditing of dedicated project accounts and projects will take place on an annual basis using and include technical, financial and procurement audits of a sample of projects.</p>

<p>information required by the auditor.</p>		
<p>13. Communication and dissemination of project outcomes</p> <p>13.1 IDEPA and [Name of the Implementing Partner] should implement the communication and publicity measures established in the project.</p> <p>13.2 IDEPA and [Name of the Implementing Partner] should agree on the fact that the results of the project should be made available to the public and all interested parties.</p> <p>13.3 IDEPA and [Name of the Implementing Partner] should play an active role in any actions organised to disseminate and valorise the results of the project.</p> <p>13.4 However, public relations actions should be co-ordinated by IDEPA.</p>	<p><i>These paragraphs would help to ensure that the publicity is organised in an effective manner.</i></p>	<p>Nothing to be added</p>



<p>14. Confidentiality requirements</p> <p>14.1 The partners should agree that information derived from the execution of the Partnership Agreement or exchanged in the steering meeting are confidential provided that one of the partners explicitly requests such.</p> <p>14.2 Documents classified as “confidential” should be subject to the same restriction without need of request.</p>		Nothing to be added
<p>15. Termination of the agreement</p> <p>15.1 At the end of its duration.</p> <p>15.2 By IDEPA as the Lead Partner in case the suspension of the funding by the donors.</p>		Nothing to be added

<p>16. Disputes</p> <p>16.1 In case of dispute among partners, they should work for a friendly settlement. If these efforts fail, the partners would be obliged to seek an arbitration either within the fisheries administration by the Ministry of Sea, Inland Waters and Fisheries (MIMAIP), in the case both partners belong to this sector, or a joint arbitration by the MIMAIP and other ministry, in the case that the implementing partner belong to another sector of the public administration, or finally through the rules of arbitration in force in the country, in the case the implementing partner is a non-governmental entity;</p> <p>16.2 The information on the dispute and eventual settlement should be referred to the Steering Committee.</p> <p>16.3 Any legal disputes in connection with the Partnership Agreement would be decided in accordance with the jurisdiction of Mozambique.</p>	<p><i>It is especially important that the text of the agreement admits the occurrence of disputes in the partnership and that the procedures to settle them are considered.</i></p> <p><i>The formula proposed for settling disputes is simple.</i></p>	<p>Nothing to be added</p>
<p>17. Non-execution of duties by the Implementing Partner</p> <p>In the case of [<i>Name of the Implementing Partner</i>] does not complete totally or partially the duties derived from the Partnership Agreement, the correspondent reimbursement of any funds that have been unduly received or utilised should take place within the month following a notification by the Lead Partner.</p>		<p>Nothing to be added</p>

<p>18. Legislation</p> <p>This Partnership Agreement is governed by the Mozambican Law.</p>		<p>Nothing to be added</p>
<p>19. Force major</p> <p>The parties should not be held liable for not complying with obligations derived from the Partnership Agreement when the non-compliance is caused by force majeure.</p>		<p>Nothing to be added</p>
<p>20. Concluding provisions</p> <p>The Partnership Agreement should only be changed by means of a written amendment that is signed by the partners. Any modifications to the project (work plan, budget, etc.) that would be approved by the Steering Committee should be effective as alterations of this present Partnership Agreement and included as addenda.</p>		<p>Nothing to be added</p>
<p>Annexes</p> <p>a) Project Work Plan</p> <p>b) Project Budget</p> <p>c) Annual work plans and budgets</p>		<p>The pluri-annual work plan, budget and procurement plan will be agreed upon during year 1 of the project and is subject to annual revision.</p>

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Written in [town] in [number] original copies, on [date].

[Name of Lead Partner]

[Name of Implementing Partner]

[Name and title of legal representative]

[Name and title of legal representative]

[Signature]

[Signature]

PROPEIXE

**5.6 Partnership Agreement between IDEPA and ADNAP**

(Template)

Between, the Institute for the Development of Artisanal Fisheries Aquaculture (IDEPA), as Lead Partner, represented in this act by [Name, position, address, etc.] and the National Fisheries Administration (ADNAP), as Implementing Partner, represented in this act by [Name, position, address, etc.], the following has been agreed:

<i>Contents of the Partnership Agreement</i>	<i>Comments</i>
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<p>1. Project objectives and outcomes</p> <p>PROPEIXE would be jointly promoted through the cooperation between the government of Mozambique (GoM) and the International Fund Agriculture Development (IFAD) with the following objectives:</p> <p>d) <u>Goal</u>: “sustainably increase the incomes, nutrition and food security by addressing the main barriers to sustainable production and marketing for artisanal fisheries”.</p> <p>e) <u>Project Development Objective</u>: “increase the sustainability of fishery value chain returns, by promoting responsible fisheries, community conservation and restauration of ecosystems and biodiversity, while also supporting fishery community resilience through diversification of livelihoods”.</p> <p>f) Project outcomes:</p> <ul style="list-style-type: none"> <li>· The outcome of component 1 will be “a more productive and resilient coastal fishery”.</li> <li>· The outcome of component 2 will be “improved resilience and profitability of artisanal fisheries derived income and local livelihoods”</li> </ul>	<p><i>This content may optionally be replaced by a reference to the PROPEIXE documents</i></p>
<p>2. Subject of the partnership</p> <p>2.1 Through this agreement, the partners should define the conditions under which the implementation work will be carried out by each as well as the relations that should govern them during the duration of the agreement.</p> <p>2.2 The objective of the Partnership Agreement is to strengthen the institutional capacity of ADNAP, so that it can fulfil its role in the implementation: of the project</p> <p>2.3 This agreement can cover support through training and provision of equipment to the fisheries administration offices and technical assistance.</p>	<p><i>The definition of the subject can be either general (as in the text) or indicating the specific sphere for each partnership</i></p>

<p>3. Duration</p> <p>The agreement should take effect on the date of its signature by the two partners and would remain in force until <i>[specify date of termination]</i>.</p>	<p><i>A specific period (e.g., 12 months or 2 years from a particular date) can also be specified.</i></p>
<p>4. Responsibilities of IDEPA as the Lead Partner</p> <p>4.1 IDEPA would be the sole responsible entity vis-à-vis the sponsors - the GoM, IFAD and, eventually, others.</p> <p>4.2 IDEPA would be responsible for the overall coordination, management, and implementation of the project.</p> <p>4.3 In this quality, IDEPA should manage the funds required for the implementation of the activities covered by the Partnership Agreement in accordance with the conditions established hereby.</p> <p>4.4 IDEPA should guarantee timely commencement of the Partnership Agreement in compliance with all obligations.</p> <p>4.5 IDEPA should notify of any factors that may adversely affect the implementation of the project activities and/or the financial plan.</p> <p>4.6 IDEPA should timely transfer the funds to ADNAP.</p> <p>4.7 IDEPA should review the appropriate utilisation of the funds by the ADNAP.</p> <p>4.8 IDEPA should prepare an annual work plans and budgets establishing the activities of the project to be implemented by ADNAP.</p> <p>4.9 IDEPA should prepare and submit periodically progress reports and a final report, follow-up financial documentation and financial reports regarding the activities undertaken by ADNAP.</p> <p>4.10 <i>[Any other tasks agreed with the Implementing Partner should be included].</i></p>	<p><i>IDEPA plays a key role which must be clearly defined regarding the Implementing Partner.</i></p> <p><i>These responsibilities can be set out in different ways and the suggested text covers the issues usually required to define them.</i></p>

<p>5. Responsibilities of the ADNAP</p> <p>5.1 ADNAP is the Implementing Partner organisation that is responsible of undertaking specific PROPEIXE project activities in accordance with the conditions specified in the Partnership Agreement and particularly in the work plan and budget.</p> <p>5.2 ADNAP would be responsible for the prompt implementation of the specific activities set out in the project annual work plans or otherwise agreed.</p> <p>5.3 ADNAP would be responsible for providing all information and data required by IDEPA to coordinate and monitor the project and carry out all reporting.</p> <p>5.4 ADNAP would submit to IDEPA confirmations by independent accountants on the eligibility of its expenditure.</p> <p>5.5 ADNAP would be responsible for notifying IDEPA of any factors that may negatively affect the implementation of the project activities that are under its responsibility.</p> <p>5.6 ADNAP would be responsible for taking all necessary initiatives to enable IDEPA to comply with its project responsibilities.</p>	<p><i>The Implementing Partner role shall also be clearly defined regarding the Lead Partner.</i></p> <p><i>The suggested text refers examples taken from several partnership agreements.</i></p>
<p>6. Activities covered by the Partnership Agreement</p> <p>6.1 The main tasks of IDEPA under this agreement are summarised as follows: <i>[number and title of each action]</i></p> <p>6.2 The main tasks of ADNAP are summarised as follows:</p> <p style="padding-left: 40px;"><i>[number and title of each action]</i></p> <p>In principle, the activities to be undertaken by ADNAP would be the following (per example): (i) training of staff...; (ii) training of CCP members ...; and (iii) carry out activities aiming at supporting the decentralisation of fisheries management, namely, ....; (iv) implementation of the new statistic system for the artisanal fisheries... etc.</p> <p>6.3 The work plan would necessarily set out a detailed description of the resources to be provided to ADNAP and the activities, timescales and</p>	<p><i>It is important that the outputs, activities, and other initiatives both of IDEPA and the Implementing Partner are set out in detail under the Partnership Agreement.</i></p> <p><i>Optionally, a short description is included in the main text and a detailed description is in an appendix to the agreement as it suggested in paragraph 6.3.</i></p>

<p>the specific budget to be undertaken by this institution which should be appended to the Partnership Agreement.</p>	
<p>7. Ownership of the assets/outputs</p> <p>7.1 The ownership of the assets/outputs after being produced.</p> <p>7.2 The nature of the relation between the operator (concessionaire), beneficiaries and owners when the assets/outputs start being used.</p> <p>7.3 Role of the Implementing Partner during the operation phase.</p>	<p><i>This content only refers to physical outputs generated with the support of the project and covered by the Agreement</i></p>



<p>8. Organisation of the partnership</p> <p>8.1 For the successful completion of the agreement, a 'joint steering meeting' should be set up. It would be responsible for monitoring the implementation of the agreement. The joint meeting would be chaired by IDEPA, and a report should be addressed to the Project Steering Committee. Its members should also include a representative of ADNAP, and any other individuals deemed appropriate by IDEPA. The joint steering meeting should be held on a [<i>define frequency</i>] basis.</p> <p>8.2 The joint steering meeting would have the authority to delegate specific tasks or responsibilities to subcontractors, as in the case of financial control, monitoring of project activities and evaluation of the outcomes, as well as other tasks as considered appropriate by the Steering Committee.</p> <p>8.3 [<i>The composition of the joint steering meeting, any delegated assignments and the decision-making process should be detailed under this paragraph</i>].</p>	<p><i>There are different models for the organisational structure of a partnership agreement.</i></p> <p><i>As a minimum, there should be a steering entity and the partnership agreement should define its role, composition, and frequency of meetings.</i></p> <p><i>This steering meeting is restricted to the IDEPA representative, the implementing partner representative and key technical staff involved in the implementation of the activities.</i></p>
<p>9. Cooperation with third parties</p> <p>9.1 In case of the involvement of subcontractors [<i>e.g., consultants, contractors, other service providers</i>], ADNAP should remain solely responsible to the IDEPA concerning the compliance with its obligations.</p> <p>9.2 ADNAP should not be allowed to transfer its rights and obligations under this Partnership Agreement without the prior consent of IDEPA.</p> <p>9.3 Cooperation with subcontractors shall be in accordance with procedures set out for public procurement actions.</p>	<p><i>Subcontracting of some tasks to third parties is normal in project implementation and should be allowed under the Partnership Agreement.</i></p> <p><i>In these cases, the sole responsibility of the Implementing Partner vis-à-vis the Lead Partner remains with that first entity.</i></p>

10. Allocated resources and eligible expenditure

10.1 IDEPA would prepare a budget setting out an estimate of eligible expenditure and funding required to implement the activities under the Partnership Agreement.

10.2 The eligibility of expenditure will be determined based on IFAD procedures and national laws. In principle, expenditure should be eligible if they are:

- (a) directly related with the subject of the output/ activities.
- (b) necessary for the implementation of the activity, provided that are reasonable and consistent with operational efficiency and economy criteria.
- (c) actually incurred, identifiable and verifiable in the accounting and taxation records of ADNAP.

10.3 Eligible expenditure may also include:

- (a) salaries and correspondent social security charges and other remuneration-related costs of staff involved in the implementation.
- (b) travel and subsistence costs for staff involved in the implementation.
- (c) equipment purchased at normal market costs.
- (d) costs of consumables and supplies.
- (e) expenditure on subcontracting activities.
- (f) costs corresponding to evaluation activities, dissemination of information, etc.

10.4 IDEPA should be responsible for distributing the funds to ADNAP if expenditure related with project actions was effectively carried out and certified.

10.5 IDEPA should quantify common management cost and ADNAP confirmation that it would be met by the partnership.

10.6 As already mentioned, appended to the Partnership Agreement there would be the provisional annual budget for each activity to be undertaken by ADNAP as well as the overall provisional budget for the project.

*Partnership Agreements contain different approaches to financial provisions, either containing some very general references or including quite detailed provisions.*

*Anyway, it is essential that the Partnership Agreement contains a basic description of eligible expenditure.*

*The suggested text goes beyond this and could be used whenever a more detailed description is advisable. In case this approach is not adopted, the appended annual work plans project budgets should be detailed.*

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<p>11. Monitoring, evaluation, and reporting</p> <p>11.1 IDEPA would be responsible for the overall monitoring of the actions undertaken by the project including by implementing partners.</p> <p>11.2 IDEPA would be responsible for submitting the following reports to the Steering Committee and sponsors: <i>[specify the different reports, e.g., for the mid-term review and final evaluation, annual reports and other periodical reports]</i></p> <p>11.3 ADNAP should supply IDEPA with all information required for monitoring, evaluation, and reporting.</p> <p>11.4 The reporting obligations and the format required both by ADNAP and IDEPA should be described in an appendix to the agreement.</p>	<p><i>Monitoring, evaluation and reporting requirements should be adequate to the nature and dimension of each partnership.</i></p> <p><i>These reports should provide details of the activities undertaken as part of the project, the progress/ outcomes achieved against targets, expenditure incurred, explanation for not meeting the work plan's targets both for physical outputs and budget, and proposed corrective measures, as well as any other information deemed relevant.</i></p>
<p>12. Financial procedures and audits</p> <p>12.1 For audit purposes, IDEPA and the ADNAP should:</p> <p>(a) agree to carry out audits.</p> <p>(b) keep all data concerning the project at least for <i>[specify the number of years]</i> years following the final payment.</p> <p>(c) ensure that the audits can be carried out with all the information required by the auditor.</p>	<p><i>The suggested text covers the main concerns on this subject: the time that project documents must be kept. It should be adopted the longer period according to the practices of the country or IFAD.</i></p>

<p>13. Communication and dissemination of project outcomes</p> <p>13.1 IDEPA and ADNAP should implement the communication and publicity measures established in the project.</p> <p>13.2 IDEPA and ADNAP should agree on the fact that the results of the project should be made available to the public and all interested parties.</p> <p>13.3 IDEPA and ADNAP should play an active role in any actions organised to disseminate and valorise the results of the project.</p> <p>13.4 However, public relations actions should be coordinated by IDEPA.</p>	<p><i>These paragraphs would help to ensure that the publicity is organised in an effective manner.</i></p>
<p>14. Confidentiality requirements</p> <p>14.1 The partners should agree that information derived from the execution of the Partnership Agreement or exchanged in the steering meeting are confidential provided that one of the partners explicitly requests such.</p> <p>14.2 Documents classified as "confidential" should be subject to the same restriction without need of request.</p>	
<p>15. Termination of the agreement</p> <p>15.1 At the end of its duration.</p> <p>15.2 By IDEPA as the Lead Partner in case the suspension of the funding by the donors.</p>	

<p>16. Disputes</p> <p>16.1 In case of dispute among partners, they should work for a friendly settlement. If these efforts fail, the partners would be obliged to seek an arbitration either within the fisheries administration by the Ministry of Sea, Inland Waters and Fisheries, in the case both partners belong to this sector, or a joint arbitration by the MIMAIP and other ministry, in the case that the implementing partner belong to another sector of the public administration, or finally through the rules of arbitration in force in the country, in the case the implementing partner is a non-governmental entity.</p> <p>16.2 The information on the dispute and eventual settlement should be referred to the Steering Committee.</p> <p>16.3 Any legal disputes in connection with the Partnership Agreement would be decided in accordance with the jurisdiction of Mozambique.</p>	<p><i>It is important that the text of the agreement admits the occurrence of disputes in the partnership and that the procedures to settle them are considered.</i></p> <p><i>The formula proposed for settling disputes is simple.</i></p>
<p>17. Non-execution of duties by the Implementing Partner</p> <p>In the case of ADNAP does not complete totally or partially the duties derived from the Partnership Agreement, the correspondent reimbursement of any funds that have been unduly received or utilised should take place within the month following a notification by the Lead Partner.</p>	
<p>18. Legislation</p> <p>This Partnership Agreement is governed by the Mozambican Law.</p>	
<p>19. Force major</p> <p>The parties should not be held liable for not complying with obligations derived from the Partnership Agreement when the non-compliance is caused by force majeure.</p>	

20. Concluding provisions

The Partnership Agreement should only be changed by means of a written amendment that is signed by the partners. Any modifications to the project (work plan, budget, etc.) that would be approved by the Steering Committee should be effective as alterations of this present Partnership Agreement and included as addenda.

Annexes

- a) Project Work Plan
- b) Project Budget
- c) Annual work plans and budgets

Written in [town] in [number] original copies, on [date].

IDEPA

ADNAP

[Signature]

[Signature]

[Name and title of legal representative]

[Name and title of legal representative]





PROPEIXE

5.7 Partnership Agreement between IDEPA and InOM

(Template)

Between, the National Institute for the Development of Artisanal Fisheries and Aquaculture (IDEPA), as Lead Partner, represented in this act by [*Name, position, address, etc.*] and the Oceanographic Institute of Mozambique (InOM), as Implementing Partner, represented in this act by [*Name, position, address, etc.*], the following has been agreed:

<i>Contents of the Partnership Agreement</i>	<i>Comments</i>
<p>1. Project objectives and outcomes</p> <p>PROPEIXE would be jointly promoted through the cooperation between the government of Mozambique (GoM) and the International Fund Agriculture Development (IFAD) with the following objectives:</p> <p><u>Goal</u>: “sustainably increase the incomes, nutrition and food security by addressing the main barriers to sustainable production and marketing for artisanal fisheries”.</p> <p><u>Project Development Objective</u>: “increase the sustainability of fishery value chain returns, by promoting responsible fisheries, community conservation and restoration of ecosystems and biodiversity, while also supporting fishery community resilience through diversification of livelihoods”.</p> <p>Project outcomes:</p> <ul style="list-style-type: none"> <li>· The outcome of component 1 will be “a more productive and resilient coastal fishery”.</li> <li>· The outcome of component 2 will be “improved resilience and profitability of artisanal fisheries derived income and local livelihoods”</li> </ul>	<p><i>This content may optionally be replaced by a reference to the PROPEIXE documents</i></p>

<p>2. Subject of the partnership</p> <p>2.1 Through this contract, the partners should define the conditions under which the implementation work will be carried out by each as well as the relations that should govern them during the duration of the agreement.</p> <p>2.2 The objective of the Partnership Agreement is to strengthen the institutional capacity of InOM for artisanal fisheries development so that they can fulfil their roles in project implementation: to estimate the fishing resource potentials and the status of the stocks in the areas accessible by artisanal fishers.</p> <p>2.3 The contract can cover support through the provision of technical assistance to carry out surveys as well as training of local staff involved in biologic sampling.</p>	<p><i>The definition of the subject can be either general (as in the text) or indicating in broad terms the specific sphere for each partnership</i></p>
<p>3. Duration</p> <p>The agreement should take effect on the date of its signature by the two partners and would remain in force until [<i>specify date of termination</i>].</p>	<p><i>A specific period (e.g., 12 months or 2 years from a particular date) can also be specified.</i></p>

4. Responsibilities of IDEPA as the Lead Partner

4.1 IDEPA would be the sole responsible entity vis-à-vis the sponsors - the GoM, IFAD and, eventually, others.

4.2 IDEPA would be responsible for the overall coordination, management, and implementation of the project.

4.3 In this quality, IDEPA should manage the funds required for the implementation of the activities covered by the Partnership Agreement in accordance with the conditions established hereby.

4.4 IDEPA should guarantee timely commencement of the Partnership Agreement in compliance with all obligations.

4.5 IDEPA should notify of any factors that may adversely affect the implementation of the project activities and/or financial plan;

4.6 IDEPA should timely transfer the funds to the InOM;

4.7 IDEPA should review the appropriate utilisation of the funds by InOM;

4.8 IDEPA should prepare an annual work plans and budgets establishing the activities to be implemented by the INOM as part of the project;

4.9 IDEPA should prepare and submit periodically progress reports and a final report, follow-up financial documentation and financial reports regarding the activities undertaken by the InOM;

4.10 [Any other tasks agreed with the Implementing Partner should be included].

*IDEPA plays a key role which must be clearly defined regarding the Implementing Partner.*

*These responsibilities can be set out in different ways and the suggested text covers the issues usually required to define them.*

<p>5. Responsibilities of the InOM</p> <p>5.1 InOM is the Implementing Partner organisation that is responsible of undertaking specific PROPEIXE project activities in accordance with the conditions specified in the Partnership Agreement and particularly in the work plan and budget;</p> <p>5.2 InOM would be responsible for the prompt implementation of the specific activities set out in the project annual work plans or otherwise agreed;</p> <p>5.3 InOM would be responsible for providing all information and data required by IDEPA to coordinate and monitor the project and carry out all reporting;</p> <p>5.4 InOM would submit to IDEPA confirmations by independent accountants on the eligibility of its expenditure;</p> <p>5.5 InOM would be responsible for notifying IDEPA of any factors that may negatively affect the implementation of the project activities that are under its responsibility;</p> <p>5.6 InOM would be responsible for taking all necessary initiatives in order to enable IDEPA to comply with its project responsibilities.</p>	<p><i>The Implementing Partner role shall also be clearly defined regarding the Lead Partner.</i></p> <p><i>The suggested text refers examples taken from several partnership agreements.</i></p>
<p>6. Activities covered by the Partnership Agreement</p> <p>6.1 The main tasks of IDEPA under this agreement are summarised as follows: <i>[number and title of each action]</i></p> <p>6.2 The main tasks of INOM are summarised as follows: <i>[number and title of each action]</i>. In principle, the activities to be undertaken by INOM would be the following: (i) preliminary assessment of the information available for estimating fishing resource and its status of exploitation; (ii) regular technical assistance to reinforce InOM's capacity to provide these estimates; (iii) training of local staff on research basic activities.</p> <p>6.3 The work plan would necessarily set out a detailed description of the resources to be provided to InOM and</p>	<p><i>It is important that the outputs, activities, and other initiatives both of IDEPA and the Implementing Partner are set out in detail under the Partnership Agreement. Optionally, a short description is included in the main text and a detailed description is in an appendix to the agreement as it suggested in paragraph 6.3.</i></p>

<p>the activities, timescales and the specific budget which should be appended to the Partnership Agreement</p>	
<p>7. Ownership of the assets/outputs</p> <p>7.1 The ownership of the assets/outputs after being produced;</p> <p>7.2 The nature of the relation between the operator (concessionaire), beneficiaries and owners when the assets/outputs start being used;</p> <p>7.3 Role of the Implementing Partner during the operation phase.</p>	<p><i>This content only refers to physical outputs generated with the support of the project and covered by the Agreement</i></p>
<p>8. Organisation of the partnership</p> <p>8.1 For the successful completion of the agreement, a 'joint steering meeting' should be set up. It would be responsible for monitoring the implementation of the agreement. The joint meeting would be chaired by the IDEPA and a report should be addressed to the Project Steering Committee. Its members should include IDEPA, a representative of InOM and any other individuals deemed appropriate by IDEPA. The joint steering meeting should be held on a [<i>define frequency</i>] basis.</p> <p>8.2 The joint steering meeting would have the authority to delegate specific tasks or responsibilities to subcontractors, as it is the case of financial control, monitoring of project activities and evaluation of the outcomes, as well as other tasks as considered appropriate by the Steering Committee.</p>	<p><i>There are different models for the organisational structure of a partnership agreement.</i></p> <p><i>As a minimum, there should be a steering entity and the partnership agreement should define its role, composition, and frequency of meetings.</i></p> <p><i>This steering meeting is restricted to IDEPA the representative and the implementing partner representative and key technical staff involved in the implementation of the activities.</i></p>

<p>8.3 <i>[The composition of the joint steering meeting, any delegated assignments and the decision-making process should be detailed under this paragraph].</i></p>	
<p>9. Cooperation with third parties</p> <p>9.1 In case of the involvement of subcontractors [e.g., consultants, contractors, other service providers], InOM should remain solely responsible to the IDEPA concerning compliance with its obligations;</p> <p>9.2 InOM should not be allowed to transfer its rights and obligations under this Partnership Agreement without the prior consent of IDEPA;</p> <p>9.3 Cooperation with subcontractors shall be in accordance with procedures set out for public procurement actions.</p>	<p><i>Subcontracting tasks to third parties is normal in project implementation and should be allowed under the Partnership Agreement.</i></p> <p><i>In these cases, the sole responsibility of the Implementing Partner vis-à-vis the Lead Partner remains with that first entity.</i></p>

10. Allocated resources and eligible expenditure

10.1 IDEPA would prepare a budget setting out an estimate of eligible expenditure and funding required to implement the activities under the Partnership Agreement;

10.2 The eligibility of expenditure will be determined based on IFAD procedures and national laws. In principle, expenditure should be eligible if they are:

- (a) directly related with the subject of the output/ activities;
- (b) necessary for the implementation of the activity, provided that are reasonable and consistent with operational efficiency and economy criteria;
- (c) actually incurred, identifiable and verifiable in the accounting and taxation records of InOM.

10.3 Eligible expenditure may also include

- (a) salaries and correspondent social security charges and other remuneration-related costs of staff involved in the implementation;
- (b) travel and subsistence costs for staff involved in the implementation;
- (c) equipment purchased at normal market costs;
- (d) costs of consumables and supplies;
- (e) expenditure on subcontracting activities;
- (f) costs corresponding to evaluation activities, dissemination of information, etc.

10.4 IDEPA should be responsible for distributing the funds to InOM provided that expenditure related with project actions was effectively carried out and certified;

10.5 IDEPA should quantify common management cost and InOM agrees that these would be met by the partnership;

*Partnership Agreements contain different approaches to financial provisions, either containing some very general references or including quite detailed provisions.*

*Anyway, it is essential that the Partnership Agreement contains a basic description of eligible expenditure.*

*The suggested text goes beyond this and could be used whenever a more detailed description is advisable. In case this approach is not adopted, the appended annual work plans project budgets should be detailed.*

10.6 As already mentioned, appended to the Partnership Agreement there would be the provisional annual budget for each activity to be undertaken by InOM as well as the overall provisional budget for the project.

11. Monitoring, evaluation, and reporting

11.1 IDEPA would be responsible for the overall monitoring of the actions undertaken by the project including by implementing partners;

11.2 IDEPA would be responsible for submitting the following reports to the Steering Committee and sponsors: *[specify the different reports, e.g., for the mid-term review and final evaluation, annual reports, and other periodical reports]*

11.3 InOM should supply IDEPA with all information required for monitoring, evaluation and reporting.

11.4 The reporting obligations and the format required both by InOM and IDEPA should be described in an appendix to the agreement.

*Monitoring, evaluation and reporting requirements should be adequate to the nature and dimension of each partnership.*

*These reports should provide details of the activities undertaken as part of the project, the progress/ outcomes achieved against targets, expenditure incurred, explanation for not meeting the work plan's targets both for physical outputs and budget, and proposed corrective measures, as well as any other information deemed relevant.*



<p>12. Financial procedures and audits</p> <p>12.1 For audit purposes, IDEPA and the InOM should:</p> <ul style="list-style-type: none"> <li>(a) agree to carry out audits;</li> <li>(b) keep all data concerning the project at least for years <i>[specify the number of years]</i> following the final payment,</li> <li>(c) ensure that the audits can be carried out with all the information required by the auditor.</li> </ul>	<p><i>The suggested text covers the main concerns on this subject. Concerning the time that project documents must be kept, it should be adopted the longer period of time according to the practices of the country or IFAD.</i></p>
<p>13. Communication and dissemination of project outcomes</p> <p>13.1 IDEPA and InOM should implement the communication and publicity measures established in the project.</p> <p>13.2 IDEPA and InOM should agree on the fact that the results of the project should be made available to the public and all interested parties.</p> <p>13.3 IDEPA and InOM should play an active role in any actions organised to disseminate and valorise the results of the project.</p> <p>13.4 However, public relations actions should be coordinated by IDEPA.</p>	<p><i>These paragraphs would help to ensure that the publicity is organised in an effective manner.</i></p>
<p>14. Confidentiality requirements</p> <p>14.1 The partners should agree that information derived from the execution of the Partnership Agreement or exchanged in the steering meeting are confidential provided that one of the partners explicitly requests such.</p> <p>14.2 Documents classified as “confidential” should be subject to the same restriction without need of request.</p>	
<p>15. Termination of the agreement</p> <p>15.1 At the end of its duration;</p> <p>15.2 By IDEPA as the Lead Partner, in case the suspension of the funding by the donors.</p>	

<p>16. Disputes</p> <p>16.1 In case of dispute among partners, they should work for a friendly settlement. If these efforts fail, the partners would be obliged to seek arbitration either within the fisheries administration by the Ministry of Sea, Inland Waters and Fisheries (MIMAIP), in the case both partners belong to this sector, or a joint arbitration by the MIMAIP other ministry, in the case that the implementing partner belongs to another sector of the public administration, or finally through rules of arbitration in force in the country, if the implementing partner is a non-governmental entity;</p> <p>16.2 The information on the dispute and eventual settlement should be referred to the Steering Committee;</p> <p>16.3 Any legal disputes in connection with the Partnership Agreement would be decided in accordance with the jurisdiction of Mozambique.</p>	<p><i>It is particularly important that the text of the agreement admits the occurrence of disputes in the partnership and that the procedures to settle them are considered.</i></p> <p><i>The formula proposed for settling disputes is simple.</i></p>
<p>17. Non-execution of duties by the Implementing Partner</p> <p>In the case of INOM does not complete totally or partially the duties derived from the Partnership Agreement, the correspondent reimbursement of any funds that have been unduly received or utilised should take place within the month following a notification by the Lead Partner.</p>	
<p>18. Legislation</p> <p>This Partnership Agreement is governed by the Mozambican Law.</p>	

<p>19. Force major</p> <p>The parties should not be held liable for not complying with obligations derived from the Partnership Agreement when the non-compliance is caused by force majeure.</p>	
<p>20. Concluding provisions</p> <p>The Partnership Agreement should only be changed by means of a written amendment that is signed by the partners. Any modifications to the project (work plan, budget, etc.) that would be approved by the Steering Committee should be effective as alterations of this present Partnership Agreement and included as addenda.</p>	

<p>Annexes</p> <p>a) Project Work Plan</p> <p>b) Project Budget</p> <p>c) Annual work plans and budgets</p>	
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Written in [town] in [number] original copies, on [date].

IDEPA

INOM

*[Signature]*

*[Signature]*

*[Name and title of legal representative]*

*[Name and title of legal representative]*

PROPEIXE

5.8 Contract Agreement between IDEPA and NGO/Service Provider

(Template)

Between, the Institute for the Development of Artisanal Fisheries and Aquaculture (IDEPA), as Lead Partner, represented in this act by [Name, position, address, etc.] and the [Name of the NGO.] as Service Provider, represented in this act by [Name, position, address, etc.], the following has been agreed:

Contents of the Contract Agreement	Comments
<p>1. Project objectives and outcomes</p> <p>PROPEIXE would be jointly promoted through the cooperation between the government of Mozambique (GoM) and the International Fund Agriculture Development (IFAD) with the following objectives:</p> <p><u>Goal</u>: “sustainably increase the incomes, nutrition and food security by addressing the main barriers to sustainable production and marketing for artisanal fisheries”.</p> <p><u>Project Development Objective</u>: “increase the sustainability of fishery value chain returns, by promoting responsible fisheries, community conservation and restauration of ecosystems and biodiversity, while also supporting fishery community resilience through diversification of livelihoods”.</p> <p>Project outcomes:</p> <ul style="list-style-type: none"> <li>· The outcome of component 1 will be “a more productive and resilient coastal fishery”.</li> <li>· The outcome of component 2 will be “improved resilience and profitability of artisanal fisheries derived income and local livelihoods”</li> </ul>	<p><i>This content may optionally be replaced by a reference to the PROPEIXE documents</i></p>

<p>3. Subject of the provision of services</p> <p>3.1 Through the contract, the partners should define the conditions under which the implementation work will be carried out by each as well as the relations that should govern them during the duration of the agreement.</p> <p>3.2 The objective should be defined through a short sentence, not forgetting to mention where the activities would take place [e.g. <i>district (s), province(s), city, village, etc.</i>];</p> <p>3.3 The nature of the activities covered by the contract should be listed [e.g. <i>training, technical assistance, procurement, community mobilisation, trial fishing, etc.</i>];</p> <p>3.4 The indication of the group targeted by the activities to be undertaken under the project should be identified.</p>	<p><i>The definition of the subject can be either general (as in the text) or by indicating in broad terms specific spheres of collaboration. It is very important that the group targeted by the contract activities is either clearly identified or the document where this identification can be found cited.</i></p>
<p>4. Nature of the relation between the parties</p> <p>The contract would not create any subordination work relationship between the parties.</p>	
<p>5. Duration</p> <p>The agreement should take effect on the date of its signature by the two partners and would remain in force until [<i>date of termination specified</i>].</p>	<p><i>A specific period of time (e.g. 12 months or 2 years from a particular date) can also be specified.</i></p>

4. Responsibilities of IDEPA as the Lead Partner

- 4.1 IDEPA would be the sole responsible entity vis-à-vis the sponsors - the GoM, IFAD and, eventually, others.
- 4.2 IDEPA would be responsible for the overall coordination, management, and implementation of the project.
- 4.3 In this quality, IDEPA should manage the funds required for the implementation of the activities covered by the agreement in accordance with the conditions established hereby.
- 4.4 IDEPA should guarantee timely commencement of the agreement in compliance with all obligations.
- 4.5 IDEPA should notify of any factors that may adversely affect the implementation of the project activities and/or financial plan;
- 4.6 IDEPA should timely transfer the funds to the *[name of the ONG/service provider]*;
- 4.7 IDEPA should review the appropriate utilisation of the funds by the *[name of the ONG/service provider]*;
- 4.8 IDEPA should prepare a annual work plans and budgets establishing the activities to be implemented by the *[name of the ONG/service provider]* as part of the project;
- 4.9 IDEPA should prepare and submit periodically progress reports and a final report, follow-up financial documentation and financial reports regarding the activities undertaken by the *[name of the ONG/service provider]*;
- 4.10 *[Any other agreed with the service provider should be included].*

*IDEPA plays a key role which must be clearly defined regarding the service provider.*

*These responsibilities can be set out in different ways and the suggested text covers the issues usually required to define them.*

<p>5. Responsibilities of the [Name of the NGO] as the services provider</p> <p>5.1 [name of the ONG/service provider] is the service provider organisation that is responsible of undertaking specific PROPEIXE project activities in accordance with the conditions specified in the contract and particularly in the work plan and budget;</p> <p>5.2 [name of the ONG/service provider] would be responsible for the prompt implementation of the specific activities set out in the project annual work plans or otherwise agreed;</p> <p>5.3 [name of the ONG/service provider] would be responsible for providing all information and data required by IDEPA to coordinate and monitor the project and carry out all reporting;</p> <p>5.4 [name of the ONG/service provider] would submit to IDEPA confirmations by independent accountants on the eligibility of its expenditure;</p> <p>5.5 [name of the ONG/service provider] would be responsible for notifying IDEPA of any factors that may negatively affect the implementation of the project activities that are under its responsibility;</p> <p>5.6 [name of the ONG/service provider] would be responsible for taking all necessary initiatives to enable IDEPA to comply with its project</p> <p>5.7 [Any other agreed with IDEPA should be included].</p>	<p><i>The service provider role should be clearly defined regarding IDEPA.</i></p> <p><i>The suggested text refers examples taken from several contract agreements.</i></p>
<p>6. Activities covered by the Contract</p> <p>6.1 The main tasks of IDEPA under this agreement are summarised as follows: [number and title of each action]</p> <p>6.2 The main tasks of [name of the ONG/service provider] are summarised as follows:[number and title of each action]</p> <p>6.3 The work plan would necessarily set out a detailed description of the resources to be provided to [name of the ONG/service provider] and the activities, timescales and the specific budget to be undertaken by this institution which should be appended to the agreement.</p>	<p><i>It is important that the outputs, activities and other initiatives both of IDEPA and the service provider are set out in detail under the contract. Optionally, a short description could be included in the main text and a detailed description is in an appendix to the contract (as suggested in 6.3).</i></p>



<p>7. Ownership of the assets/outputs</p> <p>7.1 The ownership of the assets/outputs after being produced should be made clear;</p> <p>7.2 The nature of the relation between the operator (concessionaire), beneficiaries and owners when the assets/outputs start being used should be also clarified;</p> <p>7.3 The role of the service provider during the operation phase should also be explained.</p>	<p><i>This content only refers to physical outputs generated with the support of the project and covered by the contract</i></p>
<p>8. Organisation of the collaboration established under the contract</p> <p>8.1 For the successful completion of the contract, a 'joint steering meeting' should be set up. It would be responsible for monitoring the execution of the contract. The joint meeting would be chaired by IDEPA and reports should be addressed to the Project Steering Committee. Its members should include IDEPA, a representative of [name of the ONG/service provider] and any other individuals deemed appropriate by IDEPA. The joint steering meeting should be held on a [define frequency] basis.</p> <p>8.2 The joint steering meeting would have the authority to delegate specific tasks or responsibilities to subcontractors, as is the case of financial control, monitoring of project activities and evaluation of the outcomes, as well as other tasks as considered appropriate by the Steering Committee.</p> <p>8.3 [The composition of the joint steering meeting, any delegated assignments and the decision-making process should be detailed under this paragraph].</p>	<p><i>There are different organisational models for controlling the execution of a contract.</i></p> <p><i>As a minimum, there should be a steering entity and the contract agreement should define its role, composition and frequency of meetings to assess the progress of the implementation.</i></p> <p><i>This steering meeting is restricted to IDEPA and the service provider representatives as well as key technical staff involved in the implementation of the activities.</i></p>
<p>9. Cooperation with third parties</p> <p>9.1 In case of the involvement of subcontractors [e.g., consultants, contractors, other service providers, etc.], [name of the ONG/service provider] should remain solely responsible to the IDEPA concerning compliance with its obligations;</p> <p>9.2 [name of the ONG/service provider] should not be allowed to transfer its rights and obligations under this contract without the prior consent of IDEPA;</p>	<p><i>Subcontracting of some tasks to third parties is normal in project implementation and should be allowed under the contract.</i></p> <p><i>In these cases the sole responsibility of the service provider vis-à-vis IDEPA remains with that first entity.</i></p>

<p>9.3 Cooperation with subcontractors shall be in accordance with procedures set out for public procurement actions.</p>	
<p>10. Allocated resources and eligible expenditure</p> <p>10.1 The value of the contract should be mentioned.</p> <p>10.2 IDEPA would prepare a budget setting out an estimate of eligible expenditure and funding required to implement the activities under the contract;</p> <p>10.3 The eligibility of expenditure will be determined based on IFAD procedures and national laws. In principle, expenditure should be eligible if they are:</p> <ul style="list-style-type: none"> <li>(a) directly related with the subject of the output/ activities;</li> <li>(b) necessary for the implementation of the activity, provided that are reasonable and consistent with operational efficiency and economy criteria;</li> <li>(c) actually incurred, identifiable and verifiable in the accounting and taxation records [<i>name of the ONG/service provider</i>]</li> </ul>	<p><i>Contracts contain different approaches to financial provisions, either containing some very general references or including quite detailed provisions.</i></p> <p><i>Anyway, it is essential that the contract contains a basic description of eligible expenditure.</i></p>

<p>10.4 Eligible expenditure may also include:</p> <p>salaries and correspondent social security charges and other remuneration-related costs of staff involved in the implementation;</p> <p>travel and subsistence costs for staff involved in the implementation;</p> <p>equipment purchased at normal market costs;</p> <p>costs of consumables and supplies;</p> <p>expenditure on subcontracting activities;</p> <p>costs corresponding to evaluation activities, dissemination of information, etc.</p> <p>10.5 IDEPA should be responsible for distributing the funds to [<i>name of the ONG/service provider</i>] provided that expenditure related with project actions was effectively carried out and certified;</p> <p>10.6 The terms of the payments should also be clearly established in the contract (<i>e.g., periodicity, dependent on the progress of the implementation and how this progress would be assessed, etc.</i>);</p> <p>10.7 IDEPA should quantify common management cost and [<i>name of the ONG/service provider</i>] agrees that these would be met by the agreement;</p> <p>10.8 As already mentioned, appended to the contract there would be the provisional annual budget for each activity to be undertaken by the service provider as well as the overall provisional budget for the project.</p>	<p><i>The suggested text goes beyond this and could be used whenever a more detailed description is advisable. In case this approach is not adopted, the appended annual work plans and budgets should be very detailed.</i></p>
<p>11. Taxes</p> <p>11.1 In principle, the provision of services under the contract would not be exempted from the payment of taxes (<i>e.g., VAT, custom duties</i>);</p> <p>11.2 How these values would be funded and transferred should also be explained</p>	

<p>12. Monitoring, evaluation and reporting</p> <p>12.1 IDEPA would be responsible for the overall monitoring of the actions undertaken by the project including by service providers;</p> <p>12.2 IDEPA would be responsible for submitting the following reports to the Steering Committee and sponsors: <i>[specify the different reports, e.g. for the mid-term review and final evaluation, annual reports and other periodical reports]</i></p> <p>12.3 <i>[[name of the ONG/service provider]]</i> should supply IDEPA with all information required for monitoring, evaluation and reporting.</p> <p>12.4 The reporting obligations and the format required both by <i>[NAME OF THE NGO]</i> and IDEPA should be described in an appendix to the agreement.</p>	<p><i>Monitoring, evaluation and reporting requirements should be adequate to the nature and dimension of each contract.</i></p> <p><i>These reports should provide details of the activities undertaken as part of the project, the progress/ outcomes achieved against targets, expenditure incurred, explanation for not meeting the work plan's targets both for physical outputs and budget, and proposed corrective measures, as well as any other information deemed relevant.</i></p>
<p>13. Financial procedures and audits</p> <p>13.1 For audit purposes, IDEPA and the <i>[NAME OF THE NGO]</i> should:</p> <p>(a) agree to carry out audits;</p> <p>(b) keep all data concerning the project at least for <i>[specify the number of years]</i> years following the final payment;</p> <p>(c) ensure that the audits can be carried out with all the information required by the auditor.</p>	<p><i>The suggested text covers the main concerns on this subject. Concerning the time that project documents have to be kept, it should be adopted the longer period of time according to the practices of the country or IFAD.</i></p>

<p>14. Communication and dissemination of project outcomes</p> <p>14.1 IDEPA and [name of the ONG/service provider] should implement the communication and publicity measures in accordance with the conditions established in the project.</p> <p>14.2 IDEPA and [name of the ONG/service provider] should agree on the fact that the results of the project should be made available to the public and all interested parties.</p> <p>14.3 IDEPA and [name of the ONG/service provider] should play an active role in any actions organised to disseminate and valorise the results of the project.</p> <p>14.4 Any public relations actions should be co-ordinated by IDEPA.</p>	<p><i>These paragraphs would help to ensure that the publicity is organised in an effective manner.</i></p>
<p>15. Confidentiality requirements</p> <p>15.1 The parties should agree that information derived from the execution of the contract or exchanged in the joint steering meeting are confidential provided that one of the parties explicitly requests such.</p> <p>15.2 Documents classified as “confidential” should be subject to the same restriction without need of request.</p>	
<p>16. Modification of the contract</p> <p>Only through written agreement between the parties.</p>	

17. Termination of the contract

17.1 At the end of its duration;

17.2 Termination by the IDEPA as the Lead Partner takes place in case:

- a) the donors suspend the funding of the project;
- b) the service provider does not remedy a failure in the implementation within thirty days after being notified by IDEPA;  
the service provider becomes insolvent or bankrupt;
- c) the service provider is unable to resume their activities normally sixty days after of interrupting them due to force majeure;

17.3 Termination by the service provider takes place in case

- a) thirty days after IDEPA fails to pay the amounts established in the contract ;
- b) sixty days after the service provider is unable to perform the activities established in the contract due to force majeure;

18. Disputes

18.1 In case of dispute among parties, they should work for a friendly settlement;

18.2 If these efforts fail, the partners would be obliged to seek an arbitration in accordance with the jurisdiction of Mozambique;

18.3 The decision of the arbitration would be final;

18.4 The information on the dispute and eventual settlement should be referred to the Steering Committee.

*It is very important that the text of the agreement admits the occurrence of disputes in the contract and that the procedures to settle them are considered.*

*The formula proposed for settling disputes is simple.*

<p>19. Non-execution of duties by the service provider</p> <p>In the case [NAME OF THE NGO] does not complete totally or partially the duties derived from the contract, the correspondent reimbursement of any funds that have been unduly received or utilised should take place within the month following a notification by the Lead Partner.</p>	
<p>20. Legislation</p> <p>This contract is governed by the Mozambican Law.</p>	
<p>21. Force majeure</p> <p>The parties should not be held liable for not complying with obligations derived from the agreement when the non-compliance is caused by force majeure.</p>	
<p>22. Concluding provisions</p> <p>The contract should only be changed by means of a written amendment that is signed by the partners. Any modifications to the project (work plan, budget, etc.) that would be approved by the Steering Committee should be effective as alterations of the contract and included as addenda.</p>	
<p>Annexes</p> <ul style="list-style-type: none"> <li>a) Project Work Plan</li> <li>b) Project Budget</li> <li>c) Annual work plans and budgets</li> </ul>	

Written in [town] in [number] original copies, on [date].

IDEPA

[NAME of the ONG/Service provider]

[Signature]

[Signature]

[Name and title of legal representative]

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**Annex V - ToRs for the procurement of a Management Information System for  
PROPEIXE**

**REPUBLIC OF MOZAMBIQUE**

**MINISTRY OF SEA, INLDAND WATERS AND FISHERIES (MIMAIP)**

**PROPEIXE**

**TERMS OF REFERENCE FOR A MANAGEMENT INFORMATION SYSTEM (MIS)**

## **1. BACKGROUND AND CONTEXT**

### **General presentation of the project:**

The Propeixe Project will support the artisanal fisheries value chain in a selected number of provinces of Mozambique.

### **Institutional framework:**

The overall programme coordination will be under the Ministry of Sea, Inland Water and Fisheries (MIMAIP). A Project Steering Committee (PSC) will be established to provide the oversight function chaired by the Permanent Secretary of the Ministry of Sea, Inland Waters and Fisheries and composed of members from institutions with direct relevance for the achievement of PROPEIXE objectives (e.g. MEF, MOPHRH, MIREME, MTC, MTA, etc.). Provincial PSCs (PPSCs) will be established; they will be led by the Provincial Governor and their composition and tasks will mirror those of the PSC.

Other MIMAIP departments, as well as other institutions in the sector will also participate directly or indirectly in the implementation of the project: (i) the ADNAP which supervises the fisheries management system in a co-management framework in which grassroots community organizations will be increasingly involved, (ii) the INOM, which should provide information on the potential and state of exploitation of the resources targeted by artisanal fishing, (iii) the INIP, which should assume a role in defining quality standards for

traditional products and the new products resulting from the promotion of open sea fishing, the use of ice, improved processing practices and cold conservation, and eventually, (iv) School of Fisheries and PROAZUL.

## DESCRIPTION OF THE PROJECT

### Project Objectives

The PROPEIXE goal is “sustainably increase the incomes, nutrition and food security by addressing the main barriers to sustainable production and marketing for artisanal fisheries”. The Project Development Objective (PDO) will be to “increase the sustainability of fishery value chain returns, by promoting responsible fisheries, community conservation and restoration of ecosystems and biodiversity, while also supporting fishery community resilience through diversification of livelihoods”.

### Duration of the Project

The PROPEIXE will be implemented over a 7-year period.

### Project Area:

The Project will target coastal areas in the following provinces: Maputo, Gaza, Inhambane, Sofala, Zambézia, Nampula and Cabo Delgado.

### Target group:

The target group of the Project consists of: a) Small-scale artisanal fishers (i.e. men and women that are either small boat owners, crew members, intertidal collectors) that will be dealt with either as individuals or as groups. This is the primary target group and may include households engaged in the fishery sector (production side) from different socioeconomic levels: more resilient households owning assets and having easier access to market and credit as compared to others (more vulnerable) which represent the majority.

**Vulnerable households** from fisher communities not directly engaged in fishing but interested to engage in economic activities along selected links of the fisheries value chain or develop alternative income generating activities. This group includes (i) unemployed youth interested in establishing business enterprises to respond to market demand for fishery products and services; (ii) women and women headed households (WHHs) who are

directly involved in fish processing and other income generating activities and (iii) Internally displaced people (IDP) with specific focus on youth from this category. Targeted households face different degree of poverty, food and nutrition insecurity and vulnerability, ranging from ultra-poor and vulnerable to transitory poor. Focus will be given to households with highest level of poverty, women headed households and IDPs. The project will also make extra effort to identify suitable activities to directly involve persons with disabilities (PWD) as part of income generation.

**Targeting and gender strategy:** The project will use a variety of mechanisms to ensure that the target households and the vulnerable (i.e. women-head households) have access to Project benefits. The targeting strategy will be guided by the following targeting mechanisms: a) self-targeting measures to ensure that Project interventions respond to the priorities and livelihood strategies of the target groups. The strategy will also ensure that selected entrepreneurial activities are suitable for all groups, in particular women and the youth; b) direct targeting mechanism, will ensure that specific groups, particularly the vulnerable and disadvantaged, including persons with disabilities (PWD) are selected to participate in Project interventions where possible. The Project will employ inclusive targeting mechanisms to ensure the participation of poor and vulnerable households with a specific focus on poor rural households whose livelihoods revolve around the use of the natural resources of the coastal areas.

**Gender, youth, nutrition, and social inclusion.** The gender and social inclusion strategy should consider lessons from existing and previous IFAD experiences in the country and support women and youth from fisher communities in accessing key resilient technologies (e.g. energy efficient stoves), equipment, financial and non-financial services to increase fish production and productivity and enhance resilience. Use of gender action learning system (GALS) approach, and nutrition interventions using a Nutrition Sensitive Value Chain will be promoted alongside gender positive social norms.

Specifically the project will: (i) conduct training and awareness raising in gender transformative participatory approach; (ii) ensure women and youth have representative positions in decision making in committees/boards such as CCPs (iii) ensure equitable participation (min 50%) of women and promote participation of youth in accessing project services and training for improved fisheries practices, as well as economic diversification, business advisory services and wage and job creation for youth (rural enterprise development and employment creation). Women will be mobilized to become members of Credit and Saving Groups (PCRs). These sessions will be used as an entry point for topics such as nutrition, and empowerment of women using gender action learning system

(GALS) modules. The project will encourage interventions that promote nutritionally diverse and rich foods through nutrition education.

### **Theory of change:**

The key challenges for the artisanal fisheries sector and artisanal fisheries communities that the project will address are: the degradation of natural resources and its negative impact on fisheries stocks, low profitability of the fishing activity due to inefficiencies and value chain fragmentation, as well as low food quality and safety standards, inadequate consumption of fish as part of diets, mobility of youth away from the sector and invisibility of women's contribution to production and post-harvest activities, vulnerability of value chain infrastructure due to climate impacts, and the need to strengthen the capacity of relevant Government institutions in the delivery of last mile services.

Therefore, under **Component 1: Resilient and sustainable fisheries ecosystems** the project will address the challenge of natural resource degradation by laying the foundation for sustainably managed and climate-resilient fisheries through community management. To do this, under **Sub-component 1.1: Resilient artisanal fisheries and ecosystem management:** project interventions will strengthen existing and create new Fisheries Community Councils (CCPs) to develop and implement fisheries management plans, as well as Early Warning Systems (EWS) to increase resilience and mitigate risk. It will also pilot new fishing techniques and practices that improve both economic and resource sustainability of catches.

Under **Component 2: Inclusive fisheries value chain development** the project will address climate vulnerability and management challenges related to fishery infrastructure, as well as inclusive business development and diversified, resilient livelihoods.

**Sub-component 2.1: Value chain driven, and climate resilient infrastructure development** will focus on developing a private sector-driven and sustainable fisheries VC, built on the concept of climate resilience and inclusion. This will be achieved through support for the development of successful public-private partnership (PPP) or 4P market management models, including improved climate resilience of constructed and new connecting roads. Further to this, under **Sub-component 2.2: Entrepreneurship and livelihoods diversification** interventions will focus on the promotion of emerging local entrepreneurs and Micro Small and Medium Enterprises (MSMEs), through basic business management skills development, especially for youth and women. Support will extend along the fishery value chain, including piloting mariculture start-ups and supporting auxiliary services, such as mechanics, boat building, ice-making etc. It will also address

the need for diversification of local livelihoods towards ensuring food and nutrition security by promoting alternative types of food production and reducing the dependency on fish protein in local diets. The project will engage in entrepreneurship development that enables access to finance and provides opportunities for women and youth, as well as Internally Displaced People (IDPs).

## **Components and main activities**

The Project will include three components: (i) Component 1: Resilient artisanal fisheries and ecosystem management; (ii) Component 2: Inclusive fisheries value chain development and livelihood diversification and (iii) Component 3: Institutional strengthening, project management and policy

### **1.1.1 Component 1: Resilient artisanal fisheries and ecosystem management**

The outcome of component one will be a more productive and resilient coastal fishery. The component will strengthen Fisheries Community Councils (CCPs) and new CCPs formed to better manage fisheries. To do this, the CCPs, the local government, and the National Fisheries Administration (ADNAP) will collaborate to create fisheries management plans for each fishing zone based on terms agreed upon by all parties. Mangroves, coral reefs, seagrass beds, and estuaries will all be highlighted in these plans as high-priority places in need of restoration and protection through ecosystem-based approach. Sustainable fishing methods, including the use of selective fishing gear, minimum size limitations, and monitoring of artisanal catches will be promoted.

This will involve improving the fishing systems, for example: carrying out fishing trials and demonstrations on improved fishing methods and techniques, assessing their technical, economic, and social feasibility, disseminating the results at village level and providing extension services for uptake of those operations that have proved to be successful. To assist wider adoption, the project will also provide training in key associated areas such the use of fishing and navigation aids and safety at sea requirements, and provide financial support for investments in improved boats, fishing gear and other required accessories. The installation of a limited number of fish aggregating devices (FADs) in selected sites will be also supported to help reduce operating costs and maximize revenues.

In line with provisions of the new Maritime Fisheries Regulations (REPMAR) that ban fishing with beach seines from January 2024, PROPEIXE will support fishers' transition from to beach seines with appropriate fishing gear, thus helping speed up expansion of open sea fishing and, therefore, reduction of pressure on near shore fishing areas. Implementation of these activities will be led by IDEPA and involve InOM and the Fisheries School. Support for replacement of beach seines will take place working in partnership with NGOs and other partners already involved in similar operations. To encourage the use of energy-efficient cook stoves and to take part in carbon markets to lessen deforestation and increase carbon sequestration.

This sub-component will also support the deployment of Disaster Early Warning System (EWS) in the fishery sub-sector, as well as raise awareness and pilot relevant asset insurance schemes for greater resilience. Training and capacity-building will be provided to enhance fishers' skills and knowledge of sustainable practices. In addition, this subcomponent will foster collaboration and knowledge exchange by promoting learning networks and platforms for sharing best sustainable practices, experiences, and lessons learned.

Sustainable fishing activities and other forms of livelihoods that emerge through the piloting under this component, which develop beyond household subsistence needs, will graduate towards Component 2, sub component 2.2 to receive entrepreneurship development support.

### **1.1.2 Component 2: Inclusive fisheries value chain development and livelihood diversification**

The outcome of this component will be the improved resilience and profitability of artisanal fisheries derived income and local livelihoods. The component focuses on developing a sustainable fisheries value chain built on the concept of climate resilience and environmental sustainability, provision of inputs and services and promotion of market linkages. The outcome of the component is to increase the volume and value fish traded from the artisanal fisheries subsector through development of climate resilient infrastructure and the promotion of enhanced artisanal fisheries production, post-harvest and marketing of fish, including development of supporting services and increased access to finance. The component has two subcomponents, namely:

#### **Sub-component 2.1: Sustainable entrepreneurship and livelihoods development**

Sub component 2.2 will aim to develop economically viable local activities along the fishery value chain, as well as alternative income-generation / livelihoods options can take the pressure off the fishery resources and ensure food and nutritional security.

Entrepreneurial ventures, both by groups or individuals, related to production, will focus on contribution to support fishers' efforts to replace beach seines with appropriate fishing gear, thus helping speed up expansion of open sea fishing and, therefore, reduction of pressure on near shore fishing areas. Expansion of fishing operations in the open sea to target new fishing grounds / fish species.

Individual or group MSMEs focusing on post-production activities along the value chain, will also be supported with the focus being on the improvement of food quality and safety, through training in improved handling techniques and storage.

In addition, local businesses that offer auxiliary services such as boat building, mechanics and ice-making, among others, will also benefit from business development capacity building that will deploy a graduation approach towards preparing viable business ventures to present bankable credit requests to lenders.

To enable local MSME growth, the project will assist access to financial services by supporting capacity building at all levels of business management and eventually the development of a bankable business plan by the entrepreneurs.

Access to financial services for the investments described above, will be promoted through linkages with existing REFP's and the Blue Economy Development Fund (PROAZUL) initiatives. Under PROPEIXE, a dedicated matching grant fund will be created to meet the specific needs of some target groups of the project, namely women and youth.

To boost livelihood resilience to shocks, reduce pressure on fishing resources (especially where ecosystems are at risks) and to help poor households increase incomes, access nutritious food, the project will invest in livelihood diversification. This will involve supporting women, youth and also Internal Displaced People (IDPs) with income generating activities through training and supporting with dedicated matching grants.

Coastal livelihoods enterprises such as mariculture (e.g. seaweed production, mussels among others) as well as honey production in the mangroves, and micro food businesses (among others) will be promoted on a pilot basis and upscaled based on results.

Activities identification will consider the objectives of (i) improving ecosystem conservation and (ii) improve accessibility and consumption of nutritious food for poor households from



fishing communities. An initial inventory of potential activities will be carried out by service providers, also responsible for the social acceptability of activities proposed.

### **Subcomponent 2.2: Value chain driven and climate resilient infrastructure development.**

This sub-component will invest in fish value chain related infrastructure and will support interventions aimed at addressing infrastructure-related constraints faced by artisanal fishers, traders, and other relevant actors operating within the fish value chain. Planned interventions will include supporting climate-resilient and accessible infrastructure investments that: a) can add economic and market value; b) guarantee food safety and extend shelf life; c) upgrade performance and competitiveness of the artisanal fishery sector; and d) improve the resilience, incomes and livelihoods of poor households involved in artisanal fisheries, including women, youth, and persons with disabilities.

The project will mainly invest in: i) development of pilot small-scale and climate resilient fish landing sites, as first points of sale with appropriate management mechanisms in place; ii) support to private sector-led cold chain technology investments, that can provide services for production, storage or marketing; iii) rehabilitation, climate proofing and maintenance of feeder roads connecting landing sites to markets or to the main roads; and iv) review of management modalities and eventual upgrade or restructuring of existing market places including but not limited to the introduction of renewable energy and environment friendly technologies, adequate cold storage, water and sanitation facilities, accessibility facilities to persons with disabilities, etc. The project will also contribute to the extension of the national meteorological network by funding the construction/upgrade and equipment of geographically relevant meteorological stations to support INAM efforts to establish an early warning system.

Under PROPEIXE, a collaborative assessment involving all market users, potential investors and public sector will be conducted to determine current market infrastructure physical state, its value chain and socio-economic role, as well as commercial viability. Where market investments are to be made, Project support will be provided to ensure capacity for engagement between private and public sector and local fishing communities, and the identification and piloting of Public Private Partnership (PPP) or Public Private Producer Partnership (4P) models, that can ensure the appropriate ownership, management and operations responsibilities, framework and benefits, that ensure economic and financial viability as well as inclusivity in the use of these markets. Such management models can be benchmarked against existing regional and international models for fresh food market management, both for retail and wholesale.

Infrastructure development activities will involve, local authorities and decentralized government structures, a series of implementing partners (INFRAPESCA, ANE, etc.) mobilized through adequate MoUs/MoAs and the private sector. In terms of sustainability, stakeholders' capacity (public and private) will be strengthened to enter comprehensive, inclusive and economically viable partnership for management modalities that clearly define the responsibilities, benefits and conditions for participation of each partner.

In fish markets located in rural areas, local authorities and community committees will continue to play a direct role in the PPP management agreement negotiation and conditions, that will identify and transfer operations responsibilities to interested and capable private sector players, who can provide appropriate and affordable services.

### **1.1.3 Component 3: Institutional strengthening, project management and policy**

The outcome of this component will be improved public sector support for the long-term sustainable development of the artisanal fishery sector.

#### **Sub-component 3.1 Institutional strengthening and policy support**

The project will provide targeted capacity building and strengthen the institutions responsible for artisanal fisheries so that they can fulfil their roles in project implementation and increase their capacity to implement their role and project activities. The strategy for implementation of the project would involve working within government departments and agencies that support artisanal fisheries, using their staff and operation modalities, and as needed, providing additional support to facilitate specific project interventions. In those areas in which either private sector, NGOs or other UN agencies have a comparative advantage, they would be contracted to provide support to the Government.

IDEPA will be the PROPEIXE lead agency. In this capacity, it will be responsible for the overall supervision and implementation of the project activities. To successfully play this role, the project strengthening will include the contribution to restore the capacity of the re-established delegations with the rehabilitation of offices, equipment (furniture and IT), vehicles, motorbikes, working kits for the extension officers and training. At the head office, apart from the institutional support in terms of equipment and vehicles, based on the experience of the previous projects, the project support will include technical support for the operational departments (with technical experts, including one Engineer to be

based in INFRAPESCA), and staff and equipment to the PMU. Opportunities to use some technical specialists to cover interventions in both PRODAPE and PROPEIXE will be explored mainly in the areas such: Infrastructure, Knowledge Management, Climate and Adaptation, etc.

PROPEIXE will support IDEPA capacity development through staff trainings, competitive selection for graduate, post-graduate scholarships and exchange visit. In addition, selected youth from the fishing communities will be supported to attend the fisheries school in Maputo to qualify and enhance the capacity of the extension services and support professionalization of the fisheries sector, including the eventual development of private extension services.

The research interventions will be key for the project. InOM, will be mostly on the collection of biological data and other activities, including the hiring of vessels, to allow the assessment of fish stocks that can be acceded from the project area by artisanal fishers, as well as the biodiversity conservation and restauration interventions as detailed in component I. Support to ADNAP will include the scale up of the Open ArtFish statistical system and the registration of artisanal fishers in order to bring them into the formal economic sector, the strengthening of district capacity to promote co-management arrangements and CCPs. With INIP, the support will be on the establishment quality standards for the national artisanal fisheries value chain, among other activities.

The project will provide support to identified policy areas, which includes (i) the finalization of PESPA II, (ii) the implementation of next fisheries census, (iii) scientific and technical support to the assessment the potentials of fish stocks in areas acceded by artisanal fishers, (iv) organization of the fisheries co-management system at the level of the district, (v) other particularly relevant initiatives that may contribute to support the Sea, Inland Waters and Fisheries in policies and strategies, as well as in the implementation of action plans to further strength the capacity for the sustainable development of the artisanal fisheries in collaboration and partnership with other partners and donors. As well as relevant gender policies to address gender related issues.

### **Sub-component 3.2: Project coordination and implementation support.**

The objective of this subcomponent is to manage the project in an efficient and effective manner by providing overall coordination, including planning and implementation, financial management and control, procurement, M&E, knowledge management, and progress reporting. It will also ensure liaison and linkage with all other relevant projects and programmes being implemented in the country that seek to address similar or related

constrains; this would be aimed at taking advantage of existent synergies and avoiding duplications.

In order to facilitate PROPEIXE's effective management and coordination across the provinces, the project will use the existing capacity of the IDEPA, ADNAP and InOM provincial delegations to reach out to district level and local beneficiaries. A Project Management Unit (PMU) will be established under the direct supervision and oversight of IDEPA's Director General, based in Maputo. The PMU will be responsible for the day-to-day management and supervision of the project, under the leadership of a Project Coordinator.

The PMU related costs will be shared between project resources and the GoM (including in-kind). The costs include PMU staff salaries and health insurance, procurement of office equipment, office consumables, procurement and maintenance of vehicles, etc. Apart from the technical specialists to be incorporated in the different IDEPA Departments and INFRAPESCA[1], the PMU will be composed by the following key positions: Project Coordinator; Financial Manager; Procurement Officer; M&E and KM Officer; Social Inclusion Officer (Gender, Youth and Nutrition).

## **Budget**

**Total project costs** are estimated at US\$60 million over a 7-year period. The breakdown is: IFAD12: US\$ 29.3 million (49%); Government: US\$ 4.0 million (7%); Private Sector: US\$ 4.5 million (8%); Beneficiaries: US\$ 2.2 million (4%); Financing Gap: US\$20 million (33%).

## **PURPOSE AND OBJECTIVES OF THE CONSULTANCY**

### **Objectives: overview of core functions**

The objective of this assignment is to procure the services of a qualified contractor to provide a web-based MIS software solution for the PROPEIXE project. Cognizant of the wide range of MIS solutions available on the market (mostly cloud-based software as a service, SaaS), the project's preference is to procure an off-the-shelf solution – with customizations as necessary – to obtain a mature piece of software that can be deployed relatively quickly with tried and tested functionality and usability features that are proven in practice. The bidder can show evidence of previously implemented solutions of comparable complexity and implementable in the given time frame.

The main tasks of this assignment include:

- i) Deployment of a secure cloud-based, scalable and user-customizable MIS for the PROPEIXE project, including documentation. Core functions of the MIS include but are not limited to:
  - a. Capture the project's logframe (see Annex 2) and results framework in the MIS, with its complete results chain from activity to output to (multiple levels of) outcomes to impact
  - b. Capture the project's Annual Workplan Plan and Budget
  - c. Define a custom number of results levels, indicators, reporting frequencies and disaggregations (e.g. age, gender, geography) for the logframe
  - d. Create custom data collection forms linked to indicators for tracking progress against logframe results
  - e. Online and offline, desk-based and mobile data entry
  - f. Create an updatable registry of unique beneficiaries (individuals, groups and enterprises), to be populated from data collection forms and linked back to data collection forms to avoid double entry/counting of beneficiaries
  - g. Role-based access to MIS functions (viewer, data entry, data editing, multiple levels of data review/approval, administrator, super administrator)
  - h. Allow users to create custom dashboard visualizations of indicators and enable dashboard access and sharing based on user roles; share dashboard visualizations with external stakeholders via web link without requiring an MIS login
  - i. Generate results framework progress reports, including tables and charts
  - j. Geo-referencing of data
  - k. Link substantive indicator progress with expenditure information from accounting systems. For this, the MIS will require interoperability with other software systems using common API connectors – or suggest another way in which this can be done. PROPEIXE uses Tom2Pro as its accounting software ([https://tomate.com/logiciels/tom2-pro\\_1](https://tomate.com/logiciels/tom2-pro_1))

- l. Bulk data import and export via common data formats (must-have: XLSX; suggested: CSV, XML, JSON)
  - m. Run on a secure, cloud-based, fail-safe platform, offering automated back-ups, with options to restore previous database instances
- ii) Training of PCU system administrators to configure and maintain the MIS in operation (preferably face-to-face)
- iii) On-call technical support for technical trouble shooting or feature-related questions=

## **2. MIS specifications**

The functional requirements for the MIS are divided into 'must-have' and 'should-have' features. In case a bidder has an off-the-shelve solution which does not include all features, bidders are asked to break down budgets by 'must-have' and 'should-have' features, or groups of features to be developed, to allow the PCU to make an informed and cost-efficient procurement decision.

Many of the core functionalities are interdependent (for example, indicator definitions – data entry forms – unique beneficiary database). Therefore, bidders must read the specifications carefully and with these interdependencies in mind. In case any features/specifications are unclear, bidders must describe their understanding of the function and seek clarification during the first stage of the tendering process.

### **2.1 Core functions ('must have'): MIS should have the following functions:**

#### **2.1.1 Results framework creation, maintenance, visualization guidelines**

- a. **Result levels:** Allow system administrators to define a hierarchy of results from output, short-term outcome, medium-term outcome, long-term outcome, and impact.
- b. **Activities:** Users with the appropriate privileges can create activities associated with a result level. Activity implementation progress must also be trackable, effectively making activities the lowest level of the results hierarchy.
- c. **Indicators:** Administrators can define indicators linked to results or activities allowing these calculations on indicators: Number; Percentage; Calculated field (formula based on other numeric indicator values). For each indicator, an administrator can define **baseline**

(starting) and **target** (ending) values, as well as **interim target** values linked to reporting periods.

- d. **Frequency:** For each indicator, the administrator defines the reporting frequency. Options must include: daily, weekly, monthly, quarterly, bi-annually, annually. These frequencies will align with the reporting periods.
- e. **Work planning/reporting periods** can be defined for the entire results framework. Target setting, data entry against indicators and reporting should aggregate up to and be visualized by reporting period. At a minimum, the MIS will allow defining annual reporting periods and quarterly where deemed applicable by the system administrator.
- f. **Disaggregation:** Custom, multiple disaggregations can be defined per indicator. At a minimum, the MIS must allow: disaggregation by gender, age, and geographic area.
- g. **Automatic aggregation:** The MIS automatically aggregates relevant data for the corresponding indicators, whether in the results framework or dashboard view. For example, a form capturing smallholder farmers' production will be submitted each quarter or bi-annually.

### **2.1.2 Form builder**

- a. **Visual form builder:** The MIS will include a visual form builder allowing an administrator to create custom data collection forms with question items using a 'drag and drop' visual interface. A hint or explanatory text can be attached to each question/form field.
- b. **Field types:**
  - Numeric, integer (whole number)
  - Numeric, decimal
  - Numeric, calculated (formula based on numeric fields in the same form)
  - Short text
  - Paragraph
  - Select one

- Select multiple
  - Date
  - Time
  - Geo-point (GPS coordinates)
  - Image (take/upload)
  - File (attach/upload)
- c. **Non-/mandatory fields:** Form fields can be mandatory (leaving them blank produces an error notice during data entry) or non-mandatory (leaving them blank is accepted).
- d. **Data validation:** Data validation rules can be defined per form field and are automatically checked during data entry. The violation of a validation rule produces an error message during data entry and the form cannot be submitted until the error has been resolved. Error messages can be customized for each form field. Multiple validation rules can be defined per form field and connected via logical operators (*and, or, not*). Validation types:
- Numeric:
    - o Is numeric
    - o Is whole number
    - o Is decimal
    - o Operator comparisons: =, <, >, >=, <=, between
  - Text:
    - o Contains
    - o Does not contain
    - o Valid email address
    - o Valid URL
  - Length:



- o Minimum character count
  - o Maximum character count
  - o Required character count (exact match)
- e. **Skip logic:** Questions, and entire question blocks, can be defined as *only appearing if [condition definition]*. Conditions can be based on the response to a single question or responses to multiple questions and connected via logical operators. For example, “*only show question C if response to question A (multiple choice) was 'no' and response to question B (numeric) was 'greater or equal to 15'.*”
- f. **Link to indicators:** One form can include questions linked to more than one indicator.

### 2.1.3 Data entry

1. The system should allow data entry on a **desktop computer** irrespective of operating system and on **mobile** (online and offline). One possible alternative to a mobile application could be offline-enabled, browser-based forms using the ODK/Enketo ecosystem: <https://enketo.org> OR Kobo toolbox <https://kobo.humanitarianresponse.info/>)
- b. **Automatic data validation:** Validation rules implemented during the form design (see above) are applied during data entry and produce error messages / prevent form submission if violated.
- c. **Geo-referencing:** The form design allows for geo-point form fields (taking GPS coordinates). The data entry solution must allow for capturing geo-position data even when the phone has no network connectivity

### 2.1.4 Data review and approval

The system should allow the administrator to review data submitted with allowance to configure, approve, edit, reject/discard and data table views and editing features.

- a. **Dashboards:** The dashboard should include the following: Customizable visualizations; Disaggregation; Visualization of achievements against targets in the logframe and results framework (see section 3.1.1 above); Change over time

(quarterly, annually, etc): Mapping; Indicators tracking overall indicator performance.

#### **2.1.5 Schedules, completion monitoring, notifications, alerts**

The system should facilitate management of data collection efforts through set data entry schedules, visualizations of schedule completion monitoring through dashboard as well as notifications on completion rate at each reporting period.

#### **2.1.6 Unique beneficiary database: individuals, groups, businesses**

The project will undertake or support a wide range of activities to deliver benefits to its target audience, primarily smallholder farmers, dairy cooperatives, and small dairy processors. The project will generally count **direct beneficiaries** (e.g. individuals who received training, grants, etc). Some beneficiaries may receive more than one service by the Project. Bidders are therefore requested to propose a practical solution how a mechanism to count unique beneficiaries while **avoiding double-counting** can be implemented in the MIS.

**2.1.7 Bulk data import and export:** The system should allow importing and exporting bulk data with an allowance to configure custom reports.

#### **2.1.8 Linking results framework status to budget execution**

The MIS should allow defining the available budget amount per logframe item (e.g. activity, output, outcome, impact). Budgets within the same results hierarchy should be able to be aggregated (e.g. the budget of an output is the sum of the activity budgets under this output). Budgets should also be assignable per reporting period with an allowance input Budget execution data Users can enter amounts spent against each available budget item.

### **2.2 Additional features**

The following features are desirable for the project MIS. Bidders must indicate whether (a) their proposed solution fully incorporates all additional features, (b) which and why features cannot be included in the bidder's proposed solution, or (c) how much time and budget would be required to implement the additional features.

### **2.2.1 Interoperability with other software via standardized connectors (e.g. API-driven)**

- a. Data import from accounting software
- b. Connectors (read-only access) for third-party software

### **2.2.2 Additional form builder, form management and data entry/validation features**

- a. **Combining multiple forms:** The form builder offers a modular functionality whereby multiple forms can be combined into one and additional questions be added. For example, the administrator defines separate forms for (i) beneficiary registration basics (name, address, contact information), (ii) household data (# of family members, age, assets owned) and (iii) economic activity (type of fishing equipment owned, etc.). The three forms can be combined into one new form to which questions can be added, for example, on the date of the last project visit, issues and follow-up actions. When project staff visit a household, their interaction with the beneficiary is guided by *one single form* instead of having to fill in four separate forms (i through iii, plus the visit-related questions).
- b. **XLSForm support:** Forms can be designed in an Excel file following the XLSForm specifications (<https://xlsform.org>) and uploaded into the MIS to create a new form.
- c. **Form field validation with regular expressions:** Form field validation rule can be a regular expression ([https://en.wikipedia.org/wiki/Regular\\_expression](https://en.wikipedia.org/wiki/Regular_expression)); custom error text can be defined.
- d. **Cascading submission reviews:** In addition to the single-user form submission reviews (see section 3.1.4), the project would like to be able to configure submission review chains that can be set up for individual users or user groups. For example: (i) data entry user submits form; (ii) district focal point reviews and approves/rejects (sends back for editing) the submission; (iii) a project officer at central level reviews the submission and can either accept it or reject/send back for editing/discard.
- e. **Notifications linked to the review process:** The administrator user who defines forms and review processes can also decide whether to activate notifications linked to the review process. If activated, the user affected by the

review decision gets a notification within the system. For example, if a reviewer makes an edit to a data submission before approving it, the user who submitted the data receives a notification that and how their submission was approved with modifications.

### **2.2.3 Additional visualization customizations**

- a. **Multiple dashboard views:** Administrators can define mandatory dashboards, one or multiple, that every user will see when logging into the MIS. Dashboard views can be assigned to user roles or user groups. For example, a specific dashboard visualization can be created for users in a particular district where all charts are pre-configured to show results at the district level.
- b. **Shareable dashboard views:** Each custom dashboard view should be configurable to be shared via a unique link with external stakeholders, i.e. the view can be accessed without needing to log in (for example, Google Docs offers the option to share a file via a link that allows “anyone with the link can view”)
- c. **Personal dashboards:** Every user can compose their own dashboard, one or multiple, which will be displayed in addition to dashboard views created by the administrator.
- d. **Filtering dashboard views:** Ideally, in addition to choosing which indicators to include on the personal dashboard, the visualizations can be filtered on the underlying data to show only a subset of data. For example, a viewer may decide to only show results for a particular district, or agricultural productivity figures for only a selected set of farmers (even for one farmer only).
- e. **Thresholds (custom, color-coded) by indicator:** Custom thresholds for visualization can be defined per indicator. At least 5 levels should be programmable (for example: < 25% achievement = red; 25-50% achievement = orange; 50-75% yellow; 75-95% light green; >95% dark green; default: no data, grey).

### **2.2.4 General MIS platform features**

The features include **User groups, Activity logging, User activity statistics and Text message notifications:**

## **3. Scope of work**

The contractor is expected to deliver a functional MIS to the project in line with the specifications outlined in this document. The contractor is also expected to deliver services related to the MIS software which will include but may not be limited to:

- Work with the PCU to generate a common understanding of the MIS specifications, seek clarification on specifications where needed, and produce a detailed feature map and work plan with PCU.
- Develop, customize and/or set up a functional MIS system corresponding to the specifications in this document; bug fixing and technical error resolution, in case they occur, is included.
- Provide appropriate documentation for users to learn how to operate the MIS, such as electronic user manuals, presentations, videos, and/or an online knowledgebase of issues and resolutions.
- Provide onboarding training to PCU staff who will be MIS system administrators and master trainers of other MIS users (3 working days, preferably face-to-face, travel conditions permitting).
- Provide on-call technical support by phone and email. The proposal should be inclusive of 30 hours of in-person technical support per year.
- Project-specific support requests not previously answered should be recorded in writing and made available to build up a knowledge base of project specific questions and answers.

#### **4. Tendering process, required documentation**

##### **4.1 Qualifications, Experience and Competences (Individual consultant)**

- Master's Degree or higher in relevant field such as Information Systems and Database development and design, Computer Science and Programming, Project Management, Business Data Communications or any other relevant subject related to the assignment
- Proven experience developing MIS software solutions of similar functionality and complexity as outlined in this specification (links to examples are required)
- Experience in data collection and analysis of demonstrated interventions through data analysis and indicator/performance tracking

- Operations/Systems and Quality Control Analysis skills taking into consideration product requirements
- Proven excellence in technical and user support, fast solution response times
- Familiarity with rural development project implementation and monitoring and evaluation frameworks would be welcome

#### **4.2 Technical proposal**

The technical proposal must:

- Clearly state to what extent the bidder is offering an existing solution, the extent of customizations required or whether development is proposed "from scratch";
- Elaborate on the extent to which the core and non-core functionalities outlined in this document will be fully implemented, or where the proposal deviates from the requirements. Table 1 in Annex 3 must be submitted together with the proposal for this purpose.
- Include a workplan with milestones and timelines from the assumed date of contract signature until the MIS is available and fully operational according to specifications.
- Include profiles of core team members, their roles and experience, including CVs.
- Provide evidence of having implemented software solutions of similar complexity and features as outlined in this document.
- Issues that require clarification must be clearly flagged in the proposal.
- Bidders are encouraged to include screenshots, mock-up visualizations and/or schematics in their proposal illustrating the functionality of the MIS.
- In case proposals are based on an existing MIS product, or the bidder has relevant experience implementing other software solutions, bidders are encouraged to provide access credentials and instructions for the bid evaluation team to access an existing solution to form an impression of the bidder's experience.

#### **4.3 Financial proposal**

The financial proposal should itemize software development, setup, operating costs (e.g. any server/hosting fees, storage, transfer volume, third-party licenses), trainings and technical support costs, as applicable to the offer. In case specific core and/or non-core features are not included in an existing solution by the bidder and the proposal includes customizations, the financial proposal should itemize development costs per feature or set of features.

#### **4.4 Evaluation criteria**

Proposals will be evaluated against the following criteria:

- The extent to which the proposed solution fulfills the functional core requirements specified in this document.
- The extent to which non-core features are included in the proposed MIS solution.
- The user-friendliness of the proposed MIS solution.
- A realistic workplan and timeline in line with project needs.
- Training and technical support offer.
- Proven experience of the bidder of implementing software solutions of similar complexity and features.
- Relevant experience and profile of the team.
- Value for money.

#### **4.5 Application process**

Interested institutional or individual Consultants can submit detailed proposals, both technical and financial, which may be hand delivered to the Project Coordinating Unit at the following address or sent by email to the email address provided below:

Contact Person:

## Annex 1: Results framework, high-level view in MIS (illustrative example)

## Annex 2: Project Logframe

Results Hierarchy	Indicators				Means of Verification			Assumptions
	Name	Baseline	Mid-Term	End Target	Source	Frequency	Responsibility	
Outreach	<b>1 Persons receiving services promoted or supported by the project</b>				Primary data collected through the project M&E system	Annual	PCU	Project activities are implemented as planned. The target group - especially youth and women - are interested in and capable of engaging more in the fish
	Males - Males	0	2250	4500				
	Females - Females	0	2250	4500				
	Young - Young people	0	1800	3600				
	Internally displaced people	0	4500 1125	9002 2700				
	PwDs	0	1170	2340				
	Total number of persons receiving	0	4500	9000				



	services - Number of people							value chain
	<b>1.b Estimated corresponding total number of households members</b>							
	Household members - Number of people	0	8600 0	1720 00				
	<b>1.a Corresponding number of households reached</b>							
	Households - Households	0	2000 0	4000 0				
<b>Project Goal</b> Sustainably increase the incomes, nutrition and food security by addressing the main barriers to sustainable production	<b>Households reporting increased annual net income (fish producers, processors, input suppliers)</b>				Demographic health and nutrition survey ; COI surveys	Baseline, mid-line, completion	External sources and outsourced COI survey	Economic and weather conditions remain favourable. Economic recovery Political enabling
	Households - Number	0	1400 0	2600 0				
	Households - Percentage (%)	0	35%	65%				
	<b>Households in targeted areas who are food-insecure</b>							

and marketing for artisanal fisheries	Percentage of households	50%	45%	40%				environment and stability in the North region of the country
<b>Development Objective</b> Increase the sustainability of fishery value chain returns, by promoting responsible fisheries, community conservation and restoration of ecosystems and biodiversity, while also	<b>2.2.1 Beneficiaries with new jobs/employment opportunities</b>				COI surveys	Baseline, mid-term and completion	Outsourced COI survey	Existence of right macroeconomic and climatic conditions; The promotion of enterprises in the fishing sector leads to job creation ; The project responds to the target
	new jobs - number	0	4000	8000				
	job owner - men	0	2000	4000				
	job owner - women	0	2000	4000				
	job owner - young	0	1600	3200				
	<b>IE.2.1 Individuals demonstrating an improvement in empowerment</b>							
	Total persons - Percentage (%)	0	32%	64%				

supporting fishery community resilience through diversification of livelihoods	Total persons - Number of people	0	2925 0	5850 0				group needs.	
	Females - Percentage (%)	0	35%	70%					
	Females - Females	0	1575 0	3150 0					
	Males - Percentage (%)	0	30%	60%					
	Males - Males	0	1350 0	2700 0					
	<b>SF.2.1 Households satisfied with project-supported services</b>								
	Household members - Number of people	0	6880 0	1376 00					
	Households (%) - Percentage (%)	0	40%	80%					

Households (number) - Households	0	1600 0	3200 0				
<b>SF.2.2 Households reporting they can influence decision-making of local authorities and project-supported service providers</b>							
Household members - Number of people	0	1354 50	2709 00				
Households (%) - Percentage (%)	0	35%	70%				
Households (number) - Households	0	3150 0	6300 0				
<b>1.2.8 Women reporting minimum dietary diversity (MDDW)</b>							
women (number)	0	5000	1000 0				

	women (percentage)	0	41%	83%				
	Households (number) - Households	0	5000	1000 0				
	Households (percentage)	0	41%	83%				
	Total number of household members - Number of people	0	2150 0	4300 0				
<b>Outcome</b> Outcome 1: Increased resilience of Artisanal Fisheries	<b>3.2.2 Households reporting adoption of environmentally sustainable and climate- resilient technologies and practices</b>				COI survey s	Baseli ne, mid- line, compl etion	Outsour ced COI survey	Econom ic and weather conditio ns remain favoura ble. The technol ogies and practice s promote d by the project
	Total number of household members - Number of people	0	5160 0	1032 00				
	Households - Percentage (%)	0	30%	60%				

	Households - Households	0	1200 0	2400 0				are suited for the target areas and the target group.
<b>1.2.4 Households reporting an increase in production</b>								
	Households - number	0	1400 0	2800 0				
	Households - %	0	35%	70%				
	Total household members	0	6020 0	1204 00				
<b>Output</b> Output 1.1. Effective fisheries management promoted	<b>1.1.4 Persons trained in production practices and/or technologies</b>				Primary data collected through the project M&E system	Annual	PCU	Existing CCPs are interested in and able to increase their role, and new
	Males trained in fisheries	0	1100 0	2100 0				
	Females trained in fisheries	0	4500	9000				

	Young trained in fisheries	0	6000	12000				CCPs can be created where they do not exist
	total persons trained in fisheries	0	15000	30000				
<b>Output</b> Output 1.2 Rehabilitated coastal habitat increased	<b>3.1.1 Groups supported to sustainably manage natural resources and climate-related risks</b>				Primary data collected through the project M&E system	Annual	PCU	Target group actively participates in training activities; the new technologies promoted by the project respond to artisanal fishermen's needs
	Total size of groups - Number of people	0	1200	2400				
	number of groups	0	120	240				
	women	0	400	720				
	men	0	800	1680				
	youth	0	450	960				
	<b>Number of CCPs led by women</b>							
	Percentage of groups	0	10%	20%				

<b>Outcome 2:</b> improved economic resilience and profitability of artisanal fisheries and local livelihoods	<b>Increase in volume and value of fish traded from the artisanal fisheries</b>				Open Art Fish platform	Annual	ADNAP	Economic and weather conditions remain favourable, infrastructure activities carried out by the project are implemented as planned.
	total annual volume in targeted districts (tons)	231 495	290 000	329 949				
	Total annual value in targeted districts (\$)	329 449 000	350 000	370 876 000				
	<b>2.2.2 Supported rural enterprises reporting an increase in profit</b>				COI survey , Primary data collected through the project M&E system	Baseline, mid & end line	PCU and outsourced COI survey	
	Number of enterprises - Enterprises	0	430	860				
	Percentage of enterprises - Percentage (%)	0	40%	80%				
<b>Number of persons benefiting from rehabilitated feeder roads</b>				Primary data collect	Annual	PCU		



	Number of persons	0	16000	32500	ed through the project M&E system and population census			
<b>Output</b> Output 2.1 Sustainable fisheries enterprises and alternative livelihoods developed	<b>2.1.1 Rural enterprises accessing business development services</b>				Primary data collected through the project M&E system	Annual	PCU	Enterprises in the fisheries sector are willing to form 4Ps and to engage with project activities
	Rural enterprises - number	0	500	1080				
	<b>2.1.2 Persons trained in income-generating activities or business management</b>				Primary data collected through the project M&E	Annual	PCU	The target group - especially youth and women - are interest
	Persons	0	5000	10000				
Males - Males	0	2500	5000					

	Females - Females	0	2500	5000	system			ed in and capable of engagin g more in the fish value chain
	Young - Young people	0	1000	2000				
<b>1.1.7 Persons in rural areas trained in financial literacy and/or use of financial products and services</b>								
	total number of people	0	1200 0	2400 0				
	males	0	3600	7200				
	females	0	8400	1680 0				
	young	0	4800	9600				
<b>Number of PCRs who received credit from a finance institution</b>								
	Number	0	60	120				
<b>1.1.8 Households provided with targeted support to improve their nutrition</b>								

	total persons	0	6000	1200 0				
	males	0	0	0				
	females	0	6000	1200 0				
	young	0	2400	4800				
	number of households	0	6000	1200 0				
	Total number of household members - Number of people	0	2580 0	5160 0				
Output 2.4 Resilient fisheries value chain infrastructure established	<b>2.1.5 Roads constructed, rehabilitated or upgraded</b>							
	Length of roads - Km	0	100	200				
	<b>Number of management agreements established and operating</b>							
	Number	0	8	14				

	<b>2.1.6 Market, processing or storage facilities constructed or rehabilitated</b>						
	Total number of facilities - Facilities	0	7	19			
	Market facilities constructed/r rehabilitated - Facilities	0	2	4			
	Processing facilities constructed/r rehabilitated - Facilities	0	3	5			
	Storage facilities constructed/r rehabilitated - Facilities	0	5	10			
<b>Output</b> Output 3.1	<b>Policy 1 – Policy-relevant knowledge products completed</b>			Primary data	Annual	PCU	Knowledge

Strengthened fisheries institutions and extension services	Number of products - Number	0	2	5	collected through the project M&E system			management activities are demand-driven and closely linked to the project's policy-engagement objectives
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### Annex 3: Example overview of MIS workflow

### Annex 4: Feature checklist

This checklist must be filled in to provide an overview of the extent to which the proposed solution matches the MIS core and non-core feature requirements as outlined in this document.

		<b>Check for each item as applicable.</b> Explain "No" and "Other" in the technical proposal			
1.	Core functions ('must have')	Yes (existing)	Yes (develop)	No	Other
1.1	Results framework creation, maintenance, visualization guidelines				

a	Result levels				
b	Activities				
c	Indicators				
d	Frequency				
e	Baselines and targets				
f	Work planning/reporting periods				
g	Disaggregation				
h	Automatic aggregation				
1.2	Form builder				
a	Visual form builder				
b	Field types				
c	Non-/mandatory fields				
d	Data validation				
e	Skip logic				
f	Link to indicators				
1.3	Data entry				
a	Desk-based, online				
b	Mobile, online				
c	Mobile, offline				
d	Automatic data validation				
e	Geo-referencing				

1.4	Data review and approval				
a	Configurable, form-based review				
b	Approve				
c	Edit				
d	Reject and revert with notification				
e	Reject and discard				
f	Data table views and editing				
1.5	Dashboards				
a	Customizable visualizations				
b	Disaggregation				
c	Visualization against targets				
d	Change over time				
e	Mapping				
f	Indicators tracking overall indicator performance ("meta indicators")				
1.6	Schedules, completion monitoring, notifications, alerts				
a	Data entry schedules				
b	Completion monitoring via the dashboard				
c	Configurable notifications linked to form submissions and reporting completion				

1.7	Unique beneficiary database: direct/indirect; individuals, households, businesses				
a	Unique individuals				
b	Unique households				
c	Unique business entities				
d	Customizable data fields, editable/non-editable				
e	Viewing data at beneficiary level				
1.8	Bulk data import and export; reports				
a	Bulk data import				
b	Bulk data export				
c	Custom reports				
1.9	Linking results framework status to budget execution				
a	Budget per result framework item				
b	Budget per time period				
c	Budget execution data entry				
d	Budget execution data visualization				
e	Custom thresholds for visualization				
1.10	Grant management module				
a	Service providers				
b	Applications				



c	Application status tracking				
d	Grant payment status				
e	Investment / grant implementation progress reporting				
<b>2.</b>	<b>Platform/development core requirements</b>	<b>Yes (existing)</b>	<b>Yes (develop)</b>	<b>No</b>	<b>Other</b>
2.1	Cloud-based				
a	Web-based platform				
b	Secure/SSL				
c	Backup and restore				
2.2	Role-based access				
a	Authenticated access				
b	User roles and privileges (viewer, data entry, reviewer, administrator, super administrator)				
c	User data management				
d	Passwords				
2.3	Development and operating principles				
a	User-centered design				
b	Desktop and mobile friendly (responsive design)				
c	In case of development from scratch: licensing & coding practice				

d	Transparent operating costs				
e	All-inclusive solution and licensing (third-party software)				
f	Bug fixing / technical error resolution included				
g	Data privacy				
<b>3.</b>	<b>Non-core features ('should have')</b>	<b>Yes (existing)</b>	<b>Yes (develop)</b>	<b>No</b>	<b>Other</b>
3.1	Interoperability with other software via standardized connectors (e.g. API-driven)				
a	Data import from accounting software				
b	Connectors (read-only access) for third-party software				
3.2	Additional form builder, form management and data entry/validation features				
a	Combining multiple forms				
b	XLSForm support ( <a href="https://xlsform.org">https://xlsform.org</a> )				
c	Form field validation with regular expressions (RegExp)				
d	Cascading submission reviews				
e	Notifications linked to the review process				

3.3	Additional visualization customizations				
a	Multiple dashboard views				
b	Shareable dashboard views				
c	Personal dashboards				
d	Filtering dashboard views				
e	Thresholds (custom, color-coded) by indicator				
3.4	General MIS platform features				
a	User groups				
b	Activity logging				
c	User activity statistics				
d	Text message notifications				

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## **Annex VI - Draft Knowledge Management plan**

### **PROPEIXE KNOWLEDGE MANAGEMENT PLAN**

#### **Introduction:**

For the purposes of this strategy, Knowledge Management (KM) is defined as “a set of processes, tools and behaviours that connect and motivate people to generate, use and share good practice, learning and expertise to improve Projects’ efficiency and development effectiveness”.

The aim of this KM plan is to support learning and adaptation for improved Project performance. It will also enable PROPEIXE to develop and disseminate knowledge products that can promote wider changes at national level, as well as the sustainability of Project results.

The present document is a draft plan developed to this end. After start-up, this draft should be completed and refined with support from IFAD. The KM strategy and plan will be validated by Project stakeholders through a national workshop. The workshop will be an opportunity to refine the thematic focus and dissemination strategy of policy relevant studies, but also to better understand the key information needs for PROPEIXE to be successful.

#### **Knowledge Management in PROPEIXE**

KM activities in PROPEIXE will have the following objectives: i) capitalizing on past and current experiences to support the project's successful implementation; ii) supporting policy engagement; iii) supporting research and disseminating lessons for promoting the scaling up of innovations.; iv) raising awareness on environmental and gender-related themes.

- i) **Capitalizing on experiences.** PROPEIXE will first be a learning project, integrating lessons from PROPESCA and capitalizing on experiences from other African countries on equipping artisanal fishing boats and on promoting mariculture. Technical staff and extension officers will visit countries like Madagascar and Tanzania who are already engaged in promoting cultivation of mussels and seaweed.
- ii) **Policy engagement.** Knowledge Management (KM) and communications be closely linked to the policy engagement objectives and will disseminate lessons learned from PROPEIXE approaches. In addition, a newsletter will be set up to spread positive and negative lessons from PROPEIXE implementation experience, supported by reliable evidence and analysis.
- iii) **Research and dissemination.** The Project will collect its own lessons and disseminate these to relevant stakeholders through briefs, newsletters, and studies. In collaboration with InOM, PROPEIXE will carry out studies on successful approaches for community-led environmental conservation and the establishment of early warning systems; on productivity of coastal systems; and on how to best promote the participation of youth, women and PwD in the fish value chain. KM will also aim at translating the findings of research supported by the Project into accessible knowledge products to be disseminated amongst fishermen and extension officers.
- iv) **Raising awareness.** Through radio, TV campaigns, and events organised in primary and secondary schools, PROPEIXE will also promote a broader societal awareness of the importance of conserving marine natural resources. The Project will produce audio and visual material to communicate and build knowledge of farmers on mariculture. Exchanges will be promoted between people new to

mariculture in the north and people in the Maputo area who already have some experience. The Project will also organise fish fairs for fishermen to show and promote their products and gain exposure to new technologies.

**Communication.** Success stories will be publicized through short (3-5 minutes) videos shared through Instagram, Facebook, and other social media. These videos will be produced by locally-recruited youth. PROPEIXE's visibility will be enhanced through a website, as well as through social media accounts such as Twitter, Facebook, YouTube, and Instagram. To promote transparency and coordination, all relevant MIMAIP officers will be granted access rights to PROPEIXE MIS. Project results will also be accessible to the general public and be visible on the PROPEIXE website. The PCU M&E and KM unit will ensure that information on Project services and eligibility criteria reaches all farmers in a timely manner.

**Portfolio-wide KM.** KM activities will be conducted in synergy with those of other IFAD-supported projects in the country, with monthly coordination meetings between the KM officers. In collaboration with PRODAPE, the project will establish a digital library to store and promote accessibility of all project documents. In particular, cross-learning will be promoted between PROPEIXE and PRODAPE.

### **Knowledge management structure**

The implementation of the knowledge management strategy requires strong and visible leadership from the management team, and all PMU staff. It will also require strong partnerships with institutions, partners and the private sector. Each member of the Unit has the responsibility to engage in developing knowledge products, facilitate connections between the field and headquarter, offer technical support to knowledge-sharing and learning.

At the same time, KM will be the primary responsibility of the PROPEIXE KM and M&E officers at national level. The KM and M&E functions will be carried out in synergy to ensure that:

1. M&E findings on Project results are widely disseminated in a clear, synthesized, and interesting way;
2. Knowledge products are backed up by solid M&E evidence (and therefore, the M&E system collects all data necessary for the envisaged knowledge products to be developed);

3. Field visits to collect stories by the KM officer are also used for triangulating M&E data, and the way around;
4. Case studies, stakeholder interviews and surveys, will be used to deepen the understanding of factors contributing to successes and failures, and to enable full documentation of impact.

### Stakeholders and audiences

PROPEIXE KM activities will be differentiated depending on the different audiences they aim to reach. The tables 1 and 2 below are examples of KM stakeholders/audiences and KM products that could be used to reach these. Both these tables are to be completed/adjusted/completely modified at start-up and updated during implementation.

**Table 1: PROPEIXE KM Stakeholders.**

Stakeholders	What do they want/need to know? What do we want to communicate to them?
<p><b>Local</b></p> <ul style="list-style-type: none"> <li>· Beneficiaries</li> <li>· Local communities</li> <li>· Project staff</li> <li>· Local offices of government agencies and Project partners</li> </ul>	<ul style="list-style-type: none"> <li>• Purpose and activities of the Project</li> <li>• Opportunities to partner, participate, or benefit</li> <li>• Notifications about Project events and meetings</li> <li>• Project results and impacts</li> <li>• Experiences of beneficiaries</li> <li>• Relevant lessons learned</li> <li>• Results of successful pilots and trials of new technologies, crops etc.</li> <li>• Guidelines and methodologies</li> <li>• Results of studies, surveys and assessments undertaken</li> <li>• Policy relevant lessons</li> </ul>
<p><b>National</b></p> <ul style="list-style-type: none"> <li>· Project partners</li> <li>· Other similar Projects</li> <li>· Government agencies</li> <li>· General public</li> </ul>	

<p><b>International</b></p> <ul style="list-style-type: none"> <li>• Donors/financiers</li> <li>• Development agencies</li> <li>• Communities of practise/interest groups</li> <li>• Other Projects</li> <li>• General public</li> <li>• Policy makers</li> </ul>	
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**Table 2. PROPEIXE KM products**

Products	What knowledge can they share and with who?
<ul style="list-style-type: none"> <li>• Videos in local languages</li> </ul>	<ul style="list-style-type: none"> <li>• Directed mainly to the Project's beneficiaries, these products not only contribute to maintaining the feedback loop of the Project's activities but also to contribute to the objective of raising awareness and promoting behavioural change.</li> <li>• Their participatory component allows to better portray the beneficiaries point of view. They also allow participants and facilitators to produce powerful stories.</li> </ul>



<ul style="list-style-type: none"> <li>• Stories from the field</li> <li>• Lessons learned</li> <li>• Project briefs</li> <li>• Policy briefs</li> </ul>	<ul style="list-style-type: none"> <li>• Good for sharing information on Project activities, results and lessons learned with a wide variety of audiences from beneficiaries to high- level decision makers.</li> <li>• Typically short (a few pages) and not too technical, but with enough detail to be useful or to encourage audience to seek out more information.</li> </ul>
<ul style="list-style-type: none"> <li>• Reports and studies</li> <li>• Technical guidelines</li> <li>• Working papers</li> <li>• How-to-do-note</li> <li>• Research publications</li> <li>• Inputs to partners publications</li> <li>• Inputs to government policies and strategies</li> </ul>	<ul style="list-style-type: none"> <li>• Addressing particular issues in significant detail, normally longer and more analytical and targeted towards audiences with specialist knowledge or interest in the topic.</li> <li>• Require considerable investment of time and resources to produce</li> <li>• Useful opportunities to put Project knowledge into action and to use partners and government resources to leverage its impact and raise awareness of the Project.</li> </ul>
<ul style="list-style-type: none"> <li>• Articles (newspaper/magazine)</li> <li>• Blog posts</li> <li>• Newsletters</li> <li>• Press releases</li> </ul>	<ul style="list-style-type: none"> <li>• Useful for communicating information about Project activities and results achieved and reaching a wide general audience.</li> <li>• Newspapers, websites and blogs are normally eager for content and are normally keen to publish interesting stories from Projects.</li> </ul>

<ul style="list-style-type: none"> <li>· Videos</li> <li>· Photos</li> <li>· Interviews</li> <li>· Infographics</li> <li>· Podcasts</li> </ul>	<ul style="list-style-type: none"> <li>• These make great content for the Project to disseminate through social media – publishing videos and photos of Project activities, beneficiaries, field visits etc. online is a good way to attract interest (but make sure you get permission where necessary). Interviews often provide good soundbites for sharing through social media, perhaps together with links to longer articles or publications.</li> </ul>
<ul style="list-style-type: none"> <li>· TV spots</li> <li>· Radio sessions</li> </ul>	<ul style="list-style-type: none"> <li>• As part of the yearly TV and radio national awareness campaigns, these public communication materials directed to the national scale Mozambique population will not only raise awareness and promote behavioural change but also promote the use of fuel-efficient cooking stoves.</li> </ul>

**Table 3: Template for Knowledge Management action plan**

Below is a proposed template for developing a KM action plan, which should be developed by the KM officer at the beginning of the Project. This should be a living and flexible document, as new and unexpected knowledge needs and opportunities will arise during project implementation.

Activities	Expected outcomes	Target audience	Output (knowledge product)	Dissemination channel	Potential partners	Timeframe	Budget
Ex. Awareness campaign	Behavioral change on protection of coastal habitats	General public	TV show	National TV channel	XXX	Year 3	XXX USD

## **Annex 7 – Financial Management**



Investing in rural people

**Republic of Mozambique**

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**Artisanal Fisheries Resilient Development Project (PROPEIXE)**

**Project Implementation Manual (PIM)**

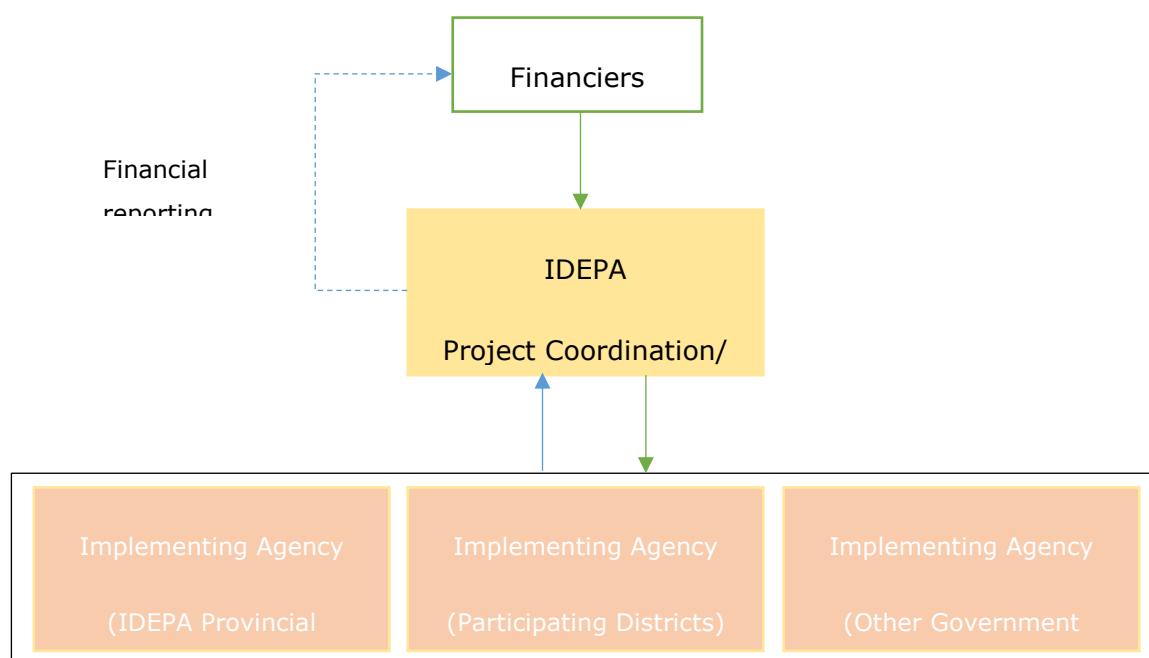
**Financial Management**

**July 2023**

## 1. Introduction

The Project is jointly implemented by IDEPA under the terms and conditions of the financing agreement signed between the Government of Mozambique and IFAD. IDEPA will have the responsibility to implement sound financial management practices. This financial manual outlines the financial management processes and procedures to be implemented by IDEPA during the duration of the Project. IDEPA will use other implementing agencies to implement specific sub-components and will enter into MOUs with these agencies which will outline the financial management roles and responsibilities of each party.

Refer to section XX and XX of the PIM for an overview of the implementation arrangements (diagram to be updated based on final implementation arrangements).



### **Reference material**

This document should be read together with the:

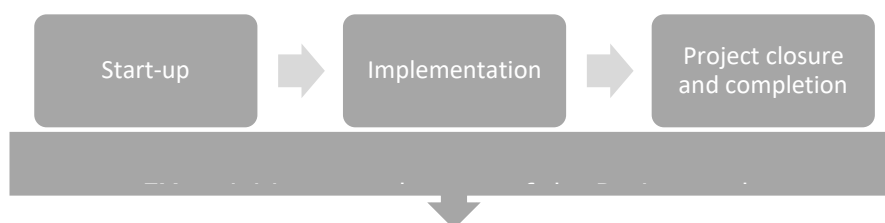
- ✓ Project financing agreement entered into between the Borrower and IFAD
- ✓ Letter to the Borrower/Recipient
- ✓ IFAD General Conditions for Agricultural Development Financing
- ✓ IFAD Loan Disbursement Handbook
- ✓ IFAD Handbook on Financial Reporting and Auditing of IFAD-funded projects
- ✓ IFAD Project Financial Management and Financial Control Handbook

Refer to Useful Links section for links to documents.

**This section of the PIM provides detailed information on the systems, procedures and steps to be used by PROPEIXE in relation to financial management and auditing. The information in this section aligns with GoM and IFAD policies, practices and standards and should always be followed by the project management team. The financial management section focuses on issues related to the flow of funds, PROPEIXE policies and procedures and the financial management cycle. This section describes project-specific financial procedures and practices to be followed by the PCU during implementation and includes all necessary information regarding budgeting, accounting, cash flow management, internal controls, financial reporting, project audits and oversight.**

## **2. Project cycle and financial management activities**

The Project Coordinator and Finance Manager of PROPEIXE will have final responsibility for the execution of the financial management activities at each stage of the Project cycle as outlined below:



<b>Start-up</b>	<b>Implementation</b>	<b>Project closure and completion</b>
<ul style="list-style-type: none"> <li>▪ Fill staff vacancies</li> <li>▪ Implement project module in e-SISTAFE accounting software</li> <li>▪ Identify possible e-SISTAFE customisations and implement (related to financial reporting)</li> <li>▪ Preparation of first annual work plan and budget</li> <li>▪ Opening of bank accounts</li> <li>▪ Start-up training</li> <li>▪ Take IFAD Anticorruption training</li> </ul>	<ul style="list-style-type: none"> <li>▪ On-going improvements to the Financial Manual</li> <li>▪ Budgeting</li> <li>▪ Accounting</li> <li>▪ Disbursements and withdrawals</li> <li>▪ Record keeping</li> <li>▪ Internal controls</li> <li>▪ Cashflow forecasting</li> <li>▪ Internal audit</li> <li>▪ Auditing</li> <li>▪ On-going training</li> <li>▪ Implement performance evaluation<sup>19</sup></li> </ul>	<ul style="list-style-type: none"> <li>▪ IFAD Specific completion and closure procedures</li> <li>▪ Final audit</li> <li>▪ Asset and inventory handover</li> <li>▪ Budget wrap up</li> </ul>

<sup>19</sup> Develop (in consultation with the Project Coordinator) a performance evaluation process for FM staff within 1 year of project commencement and document process in the PIM. This process should identify skills gaps and assist with identifying appropriate training interventions.

<ul style="list-style-type: none"> <li>▪ Conclude MOUs with implementing agencies</li> </ul>	<ul style="list-style-type: none"> <li>▪ Financial reporting to IFAD</li> </ul>	
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*NB: The Finance Manager will have the final responsibility to prepare interim and annual financial reports for submission to IFAD. Refer to Section 12 for more detail.*

### **3. Pre-implementation activities**

During the start-up of the Project it is recommended that Project staff undertake the following activities. These activities are recommended to ensure that Project staff are well informed and knowledgeable with regards to the financial management aspects of the Project once implementation commences:

<b>Activity</b>	<b>Overview</b>
<i>Financial management staff appointment</i>	<ul style="list-style-type: none"> <li>• Fill vacancies within PCU to ensure sufficient staff capacity to manage the Project. Refer to Section 5 for the proposed organogram.</li> </ul>
<i>Accounting software</i>	<ul style="list-style-type: none"> <li>▪ Customise e-SISTAFE accounting software and ensure that new staff are trained in the use of the system.</li> <li>▪ Incorporate correct chart of accounts (categories and components).</li> <li>▪ Upload the AWPB to the accounting software for purposes of budgeting / monitoring.</li> </ul>
<i>Open bank accounts</i>	<ul style="list-style-type: none"> <li>▪ The Finance Manager, with support from MoF, will be responsible for the opening of the Project bank accounts.</li> </ul>
<i>Preparation of first annual work plan and budget</i>	<ul style="list-style-type: none"> <li>▪ The Finance Manager, together with the component heads and M&amp;E lead, will be responsible for the compilation of the first Annual Work plan and Budget, as directed by the Project Coordinator, subject to IFAD no-objection. This budget will be a consolidation of the budgets obtained from IDEPA and other implementing agencies.</li> </ul>
<i>Staff training and capacity building</i>	<ul style="list-style-type: none"> <li>▪ Newly appointed PROPEIXE financial Management staff will be required to complete the IFAD FM e-learning and submit completion certificates to IFAD within 1 month of date of appointment. Refer <i>Section: Useful Links</i> for link to training.</li> <li>▪ Existing PROPEIXE financial management staff will be required to complete the IFAD FM e-learning within 1 month of project start-up (if not yet completed) and submit the completion certificate to IFAD.</li> <li>▪ All staff are required to study the project related documents at project start-up.</li> </ul> <p><u>*Other training at project start-up:</u></p> <ul style="list-style-type: none"> <li>○ PROPEIXE financial management training workshop for all implementing agencies. <i>This training to be presented by the PROPEIXE Finance Manager. Training to focus on PROPEIXE requirements (monthly reporting, document retention etc.) and cover practical issues / lessons learnt.</i></li> </ul>

	<ul style="list-style-type: none"> <li>○ Anti-corruption/anti-fraud training for all PROPEIXE finance and procurement staff to be provided by IFAD during the start-up workshop.</li> </ul>
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*\*Start-up training to be repeated on an annual basis to take into account any emerging issues and changes in guidelines.*

#### **4. IFAD Anticorruption policy**

The management of Project funds shall be sufficiently rigorous to safeguard against Fraud and Corruption. Fraud and corruption include, but are not limited to (as defined in the IFAD anticorruption policy):

- Corrupt practice - offering, giving, receiving, or soliciting, directly or indirectly, anything of value to influence improperly the actions of another party.
- Fraudulent practice - any act or omission, including a misrepresentation, that knowingly or recklessly misleads, or attempts to mislead, a party to obtain a financial or other benefit or to avoid an obligation.
- Collusive practice - an arrangement between two or more parties designed to achieve an improper purpose, including influencing improperly the actions of another party.
- Coercive practice - impairing or harming, or threatening to impair or harm, directly or indirectly, any party or the property of the party to influence improperly the actions of a party.

IFAD applies a zero-tolerance policy towards fraudulent, corrupt, collusive or coercive actions in Projects financed through its loans and grants. 'Zero tolerance' means that IFAD will pursue all allegations falling under the scope of this policy and that appropriate sanctions will be applied to parties or entities involved where the allegations are substantiated. IFAD takes all possible actions to protect individuals who submit allegations of fraudulent or corrupt practices in its activities from reprisal. The primary responsibility for enforcing the Anticorruption Policy lies with the PROPEIXE, and the first defence for controls shall be exercised by Project staff and counterparts Pursuant to this, the PROPEIXE shall have the responsibility to incorporate pertinent provisions of the Anticorruption Policy in its contracts with Project staff, cooperating/implementing partners, and suppliers/consultants.

It is the Project Coordinator and the Project Finance Manager's responsibility to make sure that all Project staff are aware of IFAD's and the national anticorruption policies and whistle blowing procedures.

PROPEIXE can contact the IFAD Officer of Audit and Oversight to report events.



## How to contact the IFAD Office of Audit and Oversight

All communications are treated with the utmost CONFIDENTIALITY.

By phone: +39 06 54592888

By fax: +39 06 54597888

By e-mail: [anticorruption@ifad.org](mailto:anticorruption@ifad.org)

Through the online complaint form:

[www.ifad.org/governance/anticorruption/how.htm](http://www.ifad.org/governance/anticorruption/how.htm)

In person or by mail to:

IFAD Office of Audit and Oversight, Investigation Section

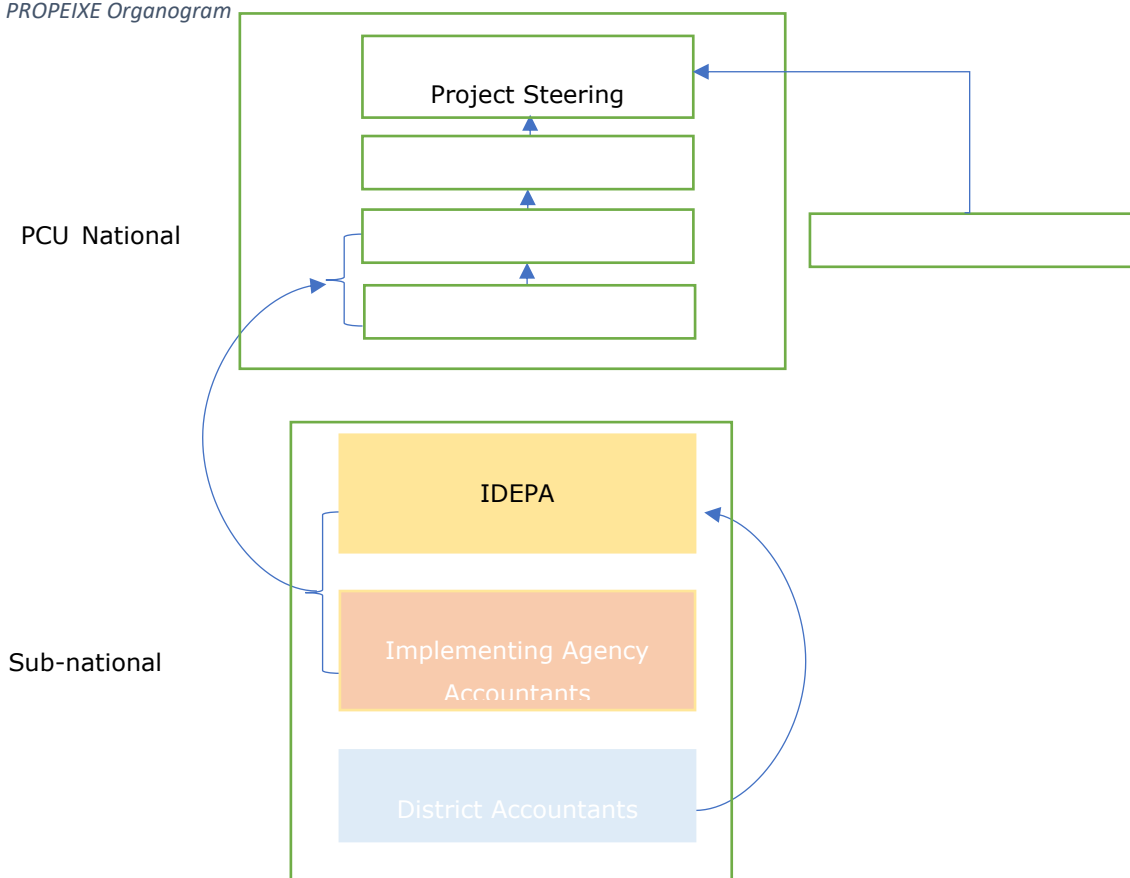
Via Paolo di Dono, 44

## ● **5. FM organisational structure, roles and responsibilities**

### **5.1. Overview of FM organizational structure**

The PROPEIXE finance department is headed by a Finance Manager which reports to the Project Coordinator. Within the Finance Department, there are two accountants supporting the finance manager to execute the financial management responsibilities. An accountant will be seconded from the government in each of the provincial delegations. Figure 1 shows the PROPEIXE organogram/staffing arrangements.

Figure 5: PROPEIXE Organogram



## 5.2. FM staff – key roles and responsibilities

Detailed job descriptions for the Finance Manager and Accountants are outlined in the ToRs (refer to Annex 3 for the terms of reference).

## 6. Budgeting and Budget Control

The PROPEIXE budget is reflected in the project's AWPB. The AWPB is a key instrument for the implementation and operational control of PROPEIXE. Once approved, it guides the daily financial management, and serves as a guiding document indicating the activities to be implemented and the resources available. The AWPB is more than a guideline, it represents: a. The commitment of the PCU and the implementing agencies to carry out a set of activities, produce specific results and achieve certain objectives; and b. The agreement of the GoM and IFAD that the planned activities are adequate in light of the objectives of PROPEIXE.

The AWPB is a means by which the GoM and IFAD will have provided the PCU with the means to implement resources in the activities included in the AWPB. It should be taken very seriously as any expenditure incurred outside the AWPB

will be questioned by auditors, supervisory missions and will be declared ineligible for funding by IFAD.

The detailed steps to be followed in preparing the AWPB are included in IFAD's guidelines for preparing AWPB and progress reports. All matters related to the procurement plan are dealt with within the scope of the Procurement Manual.

It is equally important that the AWPB preparation schedule is aligned with the Government's budget process, as the PROPEIXE budget must go through the Government's budget approval process and PROPEIXE must be included in the GoM's printed budget estimates.

With reference to the detailed AWPB preparation schedule, the PCU will take the following steps to ensure that the approved AWPB is finalized and distributed to the implementing agencies by the beginning of the new fiscal year: i) The PCU will submit the draft AWPB submitted for parliamentary approval without objection by the end of September; ii) The IFAD Country Portfolio Manager will collect IFAD's comments on the draft AWPB by mid-November; iii) The PCU will submit IFAD's amendments on the AWPB to the MoF for approval and update in e-SISTAFE by the end of November; iv) PCU will distribute the approved AWPB to implementing institutions by the end of December, in time for the new fiscal year.

In the planning and budgeting phase, the PROPEIXE finance team performs the four functions indicated below:

*Figure 6: Roles of PROPEIXE staff in the budgeting process*



**Function 1: Make available the status of available funds to all PROPEIXE technical staff. The project's technical staff will play an important role in preparing the budget for activities in their respective areas of responsibility. This does not imply, however, that the Project Specialists can have component budgets on their own, as the sub-components are interrelated; PROPEIXE budgeting will be done through the integrated approach of team management.**

Prior to the start of the planning and budgeting exercise, the Finance Manager provides each of the budget holders with the status of available balances and the overall category implications for their respective sub-components. The Finance Manager extracts information from the accounting system and obtains from IFAD a status of available balances by category. The status of available funds should be adjusted by deducting commitments, backlog requests, and projected expenses for the remainder of the year. Adjusted information on the status of funds is provided to budget holders to make them aware of budget limits. A work form in Microsoft Excel can be used to determine the available balance. The accounting software can assign historical expenses to each of the planning units, as described above, as well as in the tables below.

**5.9** Table 1: Work form to determine the status of available balances (USD) by expense category for IFAD grants

<b>Categoria</b>	<b>Available cash balance</b>	<b>Less Commitments</b>	<b>Fewer requests for ongoing Disbursements</b>	<b>Less Projected Expenses until the end of the Year</b>	<b>Available Net Balance</b>
Category 1	x	X	X	x	x
Category 2	x	X	X	x	x
Category 3	x	X	X	x	x
Category n	x	X	X	x	x
<b>Total</b>	<b>x</b>	<b>X</b>	<b>X</b>	<b>x</b>	<b>x</b>

The available net balance should be broken down by components, subcomponents and main activity items so that planners can determine the relative weights for each component/subcomponent in the AWPB, as illustrated in the table below. It is important to maintain a relative balance between components.

**Function 2: Quantify other factors that constrain disbursement. While available balances may set the upper limit on what to include in AWPBs, other constraining factors also need to be considered. The Finance Manager will need to quantify these and communicate them to budget holders / sub-component heads at the beginning of the Planning Cycle. Examples of other constraining factors include:**

- a. The realistic amount that can be requested from IFAD for the specific year.
- b. The time interval between commitment and disbursement.
- c. Existing obligations to complete work in progress.

**Function 3: Consolidate the PROPEIXE AWPB.** In the AWPB there are a series of financial tables that have to be consolidated by the Finance Manager and his team, working closely with the M&E Officer. While the consolidation of the AWPB into a single document will be led by the M&E Officer, the financial tables will be the responsibility of the Finance Manager. The tables will include: a. Accumulated financial performance for the previous year b. Consolidated annual budget summary c. Summary of expenses/income by category by funder d. Summary of expenditures/revenues by component by funder e. The AWPB based on detailed activities for each budget responsibility centre.

**Function 4: Treasury Planning.** As part of the preparation and processing of the AWPB, the Finance Manager will reserve the larger items that can be paid for through direct payments and those that must be paid from operational bank accounts. This will be translated into a quarterly cash flow forecast to ensure there is sufficient liquidity even during peak periods. The AWPB template is provided in Annex 1.

## **7. Internal controls**

### **7.1. Overview of internal controls**

It is recommended that the Finance Manager of PROPEIXE consider the guidance outlined in the *Useful Links* section under the link *Guidelines for internal controls for Public Sector Entities (INTOSAI GOV 9100)* when developing/improving the system of internal control (also see *COSO Integrated Framework – Internal Control*).

In terms of the Guidelines for Internal Control Standards for the Public Sector (INTOSAI GOV 9199):

*Internal control is an integral process that is effected by an entity's management and personnel and is designed to address risks and to provide reasonable assurance that in pursuit of the entity's mission, the following general objectives are being achieved:*

- ✓ *executing orderly, ethical, economical, efficient and effective operations;*
- ✓ *fulfilling accountability obligations;*
- ✓ *complying with applicable laws and regulations;*
- ✓ *safeguarding resources against loss, misuse and damage.*

*Internal control is a dynamic integral process that is continuously adapting to the changes an organisation is facing. Management and personnel at all levels*

*have to be involved in this process to address risks and to provide reasonable assurance of the achievement of the entity's mission and general objectives.*

**At project start-up it is recommended that the Finance Manager use the general framework for considering the internal control environment with the intention of improving the existing control environment. In terms of the general framework:**

- 1) Perform a risk assessment
- 2) Develop control activities which address identified risks (or improve existing control activities)
- 3) Implement control activities (by documenting controls, updating the information systems, communicating to relevant parties)
- 4) Develop a system for monitoring the effectiveness of controls implemented

Control activities should be developed with consideration of the following categories:

Control activities	Description
<i>Authorisation and approval procedures</i>	Authorisation controls require certification that a transaction or event is acceptable for further processing. The delegated authority of staff should ensure efficient implementation while mitigating related risks. Authorisation levels of Project staff should be in line with their underlying roles. For example, only the Project coordinator may be authorised to approve payments.
<i>Segregation of duties</i>	An important element in any control system is the separation of those duties which would, if combined, enable one individual to record and process a complete transaction. For example, an Accountant might prepare a document, but it would then be reviewed and cleared by the Finance Manager, and then approved by the Project Coordinator. It is the Finance Manager's responsibility to ensure that certain duties are segregated, including authorising, processing, recording and reviewing.
<i>Access to resources and records</i>	All data, records and assets should be kept in a physically secure environment. Petty cash should be kept secure. Financial data and other records should also be protected by back up procedures and copy records should be stored securely off site.
<i>Verifications</i>	Transactions and significant events are verified before and after processing, e.g. when goods are delivered, the number of goods supplied is verified with the number of goods ordered. Afterwards, the number of goods invoiced is verified with the number of goods received.
<i>Reconciliations</i>	Reconciliations between independent, corresponding sources of data are a key control for identifying errors and discrepancies in balances. The reconciliations should be done on a monthly basis. Any reconciling or balancing amounts should be promptly cleared. Unusually long outstanding reconciling items should be investigated. Physical checks should also be performed on assets and petty cash.

Control activities	Description
<i>Reviews of operating performance</i>	Operating performance is reviewed against a set of standards on a regular basis, assessing effectiveness and efficiency. If performance reviews determine that actual accomplishments do not meet established objectives or standards, the processes and activities established to achieve the objectives should be reviewed to determine if improvements are needed.
<i>Reviews of operations, processes and activities;</i>	Operations, processes and activities should be periodically reviewed to ensure that they are in compliance with current regulations, policies, procedures, or other requirements.
<i>Supervision</i>	Competent supervision helps to ensure that internal control objectives are achieved. This includes assigning, reviewing, and approving an employee's work.
<i>Information and technology related controls</i>	Information and technology controls can be both general and related to applications. The major categories of general controls are (1) entity-wide security program planning and management, (2) access controls, (3) controls on the development, maintenance and change of the application software, (4) system software controls, (5) segregation of duties, and (6) service continuity. Application controls are the structure, policies, and procedures that apply to separate, individual application systems, and are directly related to individual computerized applications. These controls are generally designed to prevent, detect, and correct errors and irregularities as information flows through information systems.

Entities should reach an adequate balance between detective and preventive control activities. Corrective actions are a necessary complement to control activities in order to achieve the objectives.

The Financial Manual incorporates practical guidance on recommended control activities in the sections that follow which can be considered by the Finance Manager when developing/improving internal controls. **New/improved controls should be documented in detail in the Financial Manual Controls and should be considered at both the national and sub-national levels.**

### **7.2. Authorization and approval**

- ✓ Each payment to be uploaded to e-SISTAFE based on an approved payment request
- ✓ Payments released on Treasury Single Account (CUT) by two authorized signatories (by using authorized log-in credentials)

### **7.3. Segregation of duties**

- ✓ Payment requests prepared by an accountant
- ✓ Payments reviewed/approved by Finance Manager / Project Coordinator
- ✓ Payments recorded in e-SISTAFE by Accountant
- ✓ Payments released by authorized signatories (Finance Manager/Project Coordinator, or as per IDEPA authorisation levels)

#### 7.4. Access to resources and assets

- ✓ Financial Management Office to be locked after working hours and key retained by the Finance Manager
- ✓ Other project offices locked after working hours when not in use

#### 7.5. Verifications

- ✓ Semi-annual fixed asset verifications (asset register to floor and floor to asset register)
- ✓ Fixed assets are tagged with unique number or barcode

#### 7.6. Reconciliations, reviews, supervision

The following reconciliations, checks, monitoring and review activities should be prepared on a monthly basis:

Type	Description	Preparer	Reviewer (signed by)
<i>Designated account bank reconciliation</i>	Reconciliation of the bank balance of the designated accounts to the cash book balance. (use IFAD format outlined in Appendix 4)	Accountant	Finance Manager
<i>Transit accounts / interest accounts / tender accounts reconciliations (local currency)</i>	Reconciliation of the bank balance of the transit accounts (CUT) to the cash book balance.	Accountant	Finance Manager
<i>Petty cash reconciliation</i>	Reconciliation of petty cash to relevant cash book.	Accountant	Finance Manager
<i>Petty cash spot checks</i>	Finance Manager to undertake random sport checks of petty cash (compare cash balance to petty cash book)		Finance Manager
<i>Advance justifications</i>	Clear all outstanding advances within 2 days of each quarter (received and record approved expenditure) and follow up on long overdue items for which invoices/supporting documentation has not been received.	Accountant	Finance Manager
<i>Review of monthly reports from Implementing agencies</i>	Obtain monthly reports from implementing agencies and confirm: <ul style="list-style-type: none"> <li>✓ Report was approved by relevant implementing agency head</li> <li>✓ Bank balances agree to bank statement / bank reconciliation</li> <li>✓ Petty cash balances agree to petty cash reconciliation</li> </ul>	Implementing Agency Accountant	Accountant



Type	Description	Preparer	Reviewer (signed by)
	<ul style="list-style-type: none"> <li>✓ Listed expenses are supported by valid invoices and other supporting documentation (review original documentation)</li> <li>✓ All advances from implementing agencies are recorded in line with advances recorded in e-SISTAFE</li> <li>✓ Expenses have been incurred in line with the approved AWPB</li> </ul>		
<i>Quarterly and Monthly internal report</i>	Prepare internal reports for the purposes of monitoring project progress and identifying issues. This includes interim financial reports in the IFAD approved format.	Finance team	Project Coordinator

In all instances, issues identified during the review/reconciliation process should be followed up and resolved in a timely manner.

#### **7.7. Information and technology related controls**

- ✓ Password is required to log into e-SISTAFE
- ✓ e-SISTAFE to require password change on a regular basis
- ✓ User rights are defined and documented and linked to log-in credentials
- ✓ Daily back-up of e-SISTAFE data on server
- ✓ Sensitive information (e.g. payroll files) are password protected
- ✓ Regular software updates are undertaken to ensure that e-SISTAFE version is supported by technical team at CEDSIF
- ✓ Offsite backup of data on a weekly basis
- ✓ Financial Management staff are not allowed to share e-SISTAFE passwords or use login credentials of another
- ✓ Desktop access requires login with a password
- ✓ Operating system software updates are performed regularly
- ✓ Use authorized signatory to have log-in credentials for on-line banking

#### **7.8. Internal control environment – implementing agencies**

The Finance Manager will be responsible for the assessment of the internal control environment of implementing agencies. In terms of the MOUs, it will be required that implementing agencies perform an annual self-assessment of their financial management arrangements in line with the FM provisions in the MOU – refer to Annex 6. It is recommended that the Finance Manager use the information contained in this section to

consider the soundness of the internal control environments and provide guidance on improving controls if weaknesses are identified.

## **8. Flow of Funds**

**Designated and operating accounts.** The project will have a designated USD account at the Bank of Mozambique that will receive the funds from the financing Account, resulting from the financing agreement signed between the Government of Mozambique and IFAD.

Transactions on the designated account are ordered by means of two signatures, one from the IDEPA Directorate and the other from the Project Coordination Unit staff.

Subscribers to this account must be registered in the IFAD Client register (ICP\_IFAD). To comply with this procedure, according to the Borrower's Letter, IFAD must receive from the Minister of Economy and Finance, a letter designating the names of officials authorized to sign withdrawal requests and expense statements, which includes their authenticated signatures. In accordance with Ministerial Diploma n°23/2018, 2 February, which regulates the management of State bank accounts, PROPEIXE will have a FOREX account approved by the National Directorate of the Treasury.

**Disbursement According to the PROPEIXE Borrower's Letter (LTB), Funds will be disbursed based on the following methods:**

**a) DA advances:** initial deposits and subsequent request for advances based on quarterly cash forecasts included in the interim financial reports;

**b) Direct Payment:** Direct payment procedures should preferably be used only for payments in excess of US\$100,000.

**Procedures for withdrawal of funds will include:**

- **A first disbursement designated initial deposits based on the limits of the disbursement amounts defined for advance to the Designated/Authorized Allocation Account. These amounts will be paid later to Eligible Expenses.**
- **Project Coordinating Unit will control the designated account (DA) and will be responsible for requests for replenishment to the designated account, made electronically through the IFAD Client Portal (ICP IFAD) platform.**
- **In accordance with the instructions contained in the IFAD Manual on Disbursement of Funds (LDH), for the start of the Project, the UCP must**

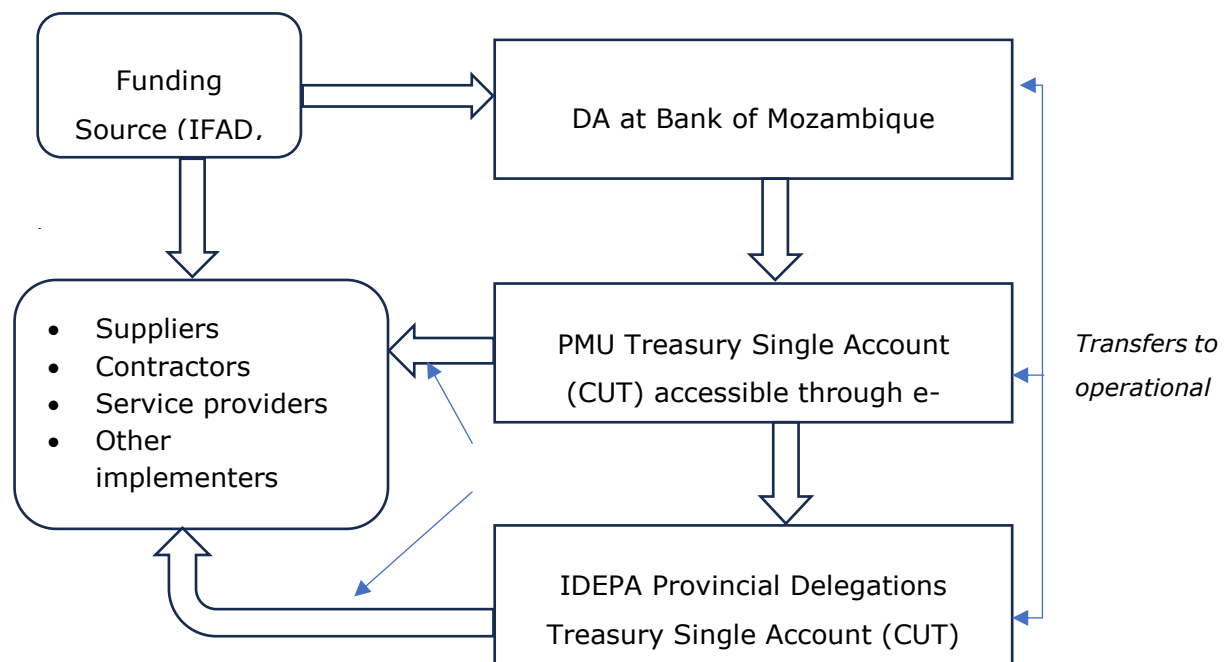
prepare the disbursement request of funds from the initial deposits, Withdrawal Application (WA), for each type of financing and send them through the IFAD Client Portal platform (IFAD-ICP). Submission to the ICP is made by one of the subscribers of the project's designated account, duly registered, with an authorised profile.

- The WA is approved by the Bank of Mozambique, through an application note signed by the Director General of IDEPA. Once the approval of the Bank of Mozambique has been obtained, the disbursement request is automatically submitted to the IFAD disbursement sector for due analysis and subsequent transfer of funds to the designated account (DA).
- Funds channelled to the Designated account are subsequently transferred to the Transitory Account (Forex).
- The funds in the FOREX Account are channelled to the Single Treasury Account (CUT).
- The existing funds in the Single Treasury Account and through e-SISTAFE, the financial resources will be made available, on a quarterly basis, to the Provincial Delegations of IDEPA, through the financial programming that will be prepared by each Delegation in accordance with the Annual Work Plan and Budget (AWPB).
- From e-SISTAFE, payments to service providers and suppliers of goods recognized by the systems can be made directly. The advance of funds method is used, which consists of a formal request to the MEF (National Directorate of Public Accounting) for authorization to make payments to service providers not registered in the system. This request will be made by the respective delegation. The following is an illustration of how the funds will be channelled from the CUT (Single Treasury Account).

From e-SISTAFE, payments to service providers and suppliers of goods recognized by the systems can be made directly. The advance of funds method is used, which consists of a formal request to the MEF (National Directorate of Public Accounting) for authorization to make payments to service providers not registered in the system. This request will be made by the respective delegation.

The PCU will be responsible for coordinating and ensuring the regular flow of funds (disbursement, requisition, reimbursement and expenditure), so that they are available whenever necessary for the fulfilment of PROPEIXE's financial obligations to suppliers and service providers. This will involve: (i) establishing each implementing agency's liquidity requirements based on the approved AWPB; (ii) prepare and send bank transfer instructions to MEF to always ensure sufficient liquidity in the operating account; (iii) follow up on any funds advanced to implementing agencies and ensure their timely

Figure 7: PROPEIXE Fund Flow Map



justification; (iv) maintain supporting documentation underlying expenditure incurred by the project in order to prepare disbursement requests for submission to IFAD; and (v) ensure that disbursements by IFAD are always fully accounted for by preparing quarterly statements of sources and uses of funds and reconciliation to designated accounts. All movements from the designated account will require the counter-signature of the authorized representative of the GoM.

The signatories of the PROPEIXE bank accounts will be the following:

<b>Designated Account</b>	<b>The designated account will be fully operated by IDEPA staff as the official beneficiary. For any transfers from the account designated for operations requesting such transfer. Upon receipt of the request, the MEF office will process the transfer request.</b>
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## Operating Account

The account will be bound by two signatures, one for Category A and the other for Category B, as follows:

**Category A Signatures: Director of IDEPA & Project Coordinator;**

**Category B Signature: IDEPA Deputy Director and Project Finance Manager**

**Funds flow arrangements for grant resources will include creation of separate ledgers to facilitate traceability of transactions. E-SISTAFE will include account codes to clearly identify the funding source and components/sub-components to which transactions should be charged.**

## 9. Accounting

### 9.1. Accounting system

Most of the Project activities result in the receipt, commitment or expenditure of funds. The accounting system records, processes and organizes this data in order to produce useful financial information in the form of AWPB, Financial Reports, Withdrawal Applications, Financial Statements etc. needed by the financier and project management. The accounting system should reflect the Project's needs and be designed to provide the financial information required by all interested parties. It should also fulfil all the legal and regulatory requirements of the project. In addition, the accounting system should incorporate the reporting requirement of the chosen accounting standard for PROPEIXE which is IPSAS, Financial Reporting under the Cash Basis of Accounting.

### 9.2. Accounting software

**Payments and financial reporting for PROPEIXE will be made through the integrated State Financial Management Information System (e-SISTAFE). PROPEIXE will maintain a local currency account in e-SISTAFE under the Single Treasury Account (CUT) for the PMU. At the provincial level, the funds will be disbursed to the IDEPA Delegations Single Treasury Accounts for the project. E-SISTAFE is being customized for PROPEIXE financial requirements.**

### 9.3. Chart of accounts

The accounting software should include the appropriate Chart of Accounts. The Chart of Accounts should be developed to cater for:

- All components and sub-components that are incorporated in the AWPB (outlined in the financing in agreement)
- All categories as outlined in the financing agreement
- Sources of finance (Government, IFAD, other co-financers, Beneficiaries)
- Sub categorisation to cater for activities at the various provinces

The Chart of Accounts should mirror the cost tables (as presented in the Project design report) to enable comparison of actual Project costs during implementation with those estimated during the Project preparation.

#### **9.4. Recording and processing of transactions**

Whenever a transaction takes place under the Project, it should be recorded and processed using the accounting software (e-SISTAFE). Transactions are recorded on the cash basis of accounting which requires the recognition of cash flows when they occur (inflows and outflows).

Each transaction should be recorded in the accounting software based on the following:

- Use double entry accounting (debit and credit)
- Capture the transaction using the correct account code (as determined by the chart of accounts) – for all transaction, to be confirmed the Financial Manager
- Capture transactions which has the required supporting documentation
- Capture information accurately and completely.

#### **9.5. Accounting for in-kind contributions**

- a) Beneficiary and Government contributions and included in PROPEIXE financing agreement as part of Programme revenues. At least USD 3.4m is expected as Government contribution (5% of total project cost) and up to USD 2.2 million as Beneficiary contribution (4% of total project cost). These contributions shall be in-kind (in-kind domestic contributions) and shall be assessed using valuation of their fair costs.
- b) Beneficiary and Government contribution is seen as a viable mechanism to ensure sustainability of programme interventions and promote mindset changes in order to attract additional investments for similar interventions. On the other hand, in-kind domestic contribution could minimize the amount of external resources needed for Programme implementation. As such, the following paragraphs provide the PROPEIXE guidelines for valuation of in-kind domestic contribution.
- c) In-kind contributions are the expenditures incurred by Government, beneficiaries or other implementing partners (value chain actors, service providers and others) for the implementation of PROPEIXE operations: They include (i) goods, (ii) works, (iii) use of services and facilities (e.g. office space), (iv) professional services or expertise in the form of staff time, (v) provision of or access to equipment and special materials; and (vi) office running costs, which otherwise would need to be paid for by the project in order to carry out activities. They are only considered eligible if:
  - (i) They are fully included in the approved AWPB;
  - (ii) the amount of expenditure is duly justified by supporting documents having equivalent probative value to invoices, without prejudice to provisions set out in specific national regulations;
  - (iii) their value can be independently assessed and/or audited; and
  - (iv) the co-financing from the contributor does not significantly exceed the total eligible expenditure planned for the project excluding the value of such contributions.
- d) However, some expenses considered ineligible shall be excluded from PROPEIXE in-kind contribution records and these comprise:
  - (i) Salary cost for administrative support staff;
  - (ii) Management activities unrelated to PROPEIXE;
  - (iii) Co-applicants and collaborators as Consultant fees during programme design;
  - (iv) Activities not included in the AWPB;
  - (v) Activities that do not contributed directly to PROPEIXE;

- (vi) Data, software, goods, services, equipment and spaces that are available for free.
- e) To ease production of data on in-kind contribution, PROPEIXE will develop data collection instruments to be used at different levels of the Programme. These shall be captured through the PROPEIXE M&E system. Technical staff and other stakeholders shall be trained on application of these instruments. These instruments shall be developed by the PROPEIXE M&E staff and distributed to all technicians and stakeholders involved in Programme interventions with potential in-kind contribution. Beyond others to be produced in course of PROPEIXE and as needed, tools for capturing beneficiary contribution include:
  - (i) Government contribution through permanent staff (FORM28);
  - (ii) Government contribution through temporary technical assistance (FORM29); and
  - (iii) Beneficiary contribution through labour (FORM30).

### 5.9.1

#### 9.5.1. Beneficiary contribution

- f) Expected beneficiary contributions through programme life cycle are:
  - (i) Labour for different PROPEIXE activities;
  - (ii) Provision of services;
  - (iii) Provision of facilities or real estate for PROPEIXE related activities;
  - (iv) Materials and equipment allocated to Programme related interventions.
- g) To ensure that they are auditable, beneficiary contributions shall be included in payment request form and dully authorized by relevant expense authorization authorities. Beneficiary contribution shall be treated as a normal revenue and shall be recorded in accounting systems.
- h) **Use of buildings, facilities, and office spaces.** Whenever beneficiaries provide buildings and office spaces for PROPEIXE supported activities, beneficiary contribution shall be derived from equation (2)

$$CB = d_o \times P_m \times A_o$$

(2)

Whereby:  $d_o$  the duration of occupation (days);  $P_m$  the average market value of price determined through competitive procurement (should not exceed 1,800 MT/m<sup>2</sup>/month, as per the Decree 75/2017, as of 27 December);  $A_o$  the total office space in use. Expenses shall be justified using: (i) payment application; (ii) dully signed and approved valuation report.

- i) **Use of vehicles.** Beneficiaries can also use their own vehicles to transports goods for PROPEIXE related activities. In those cases, their contribution shall be derived from the total distance travelled by the vehicles for PROPEIXE service and the prevailing fuel prices (from PROPEIXE database), using equation (3A – for vehicles and 3B for motorbikes).

$$CB_{VEHICLES} = d \times 0.28 \times e + \frac{d}{100} \times 8.06 \times f_p$$

(3A)

$$CB_{MOTORBYKES} = d \times 0.28 \times e + \frac{d}{100} \times 25.02 \times f_p$$

(3B)

Taking:  $d$  - as the total distance travelled; 0.28 - as the travel cost per km (in USD/km) as per these UN [Guidelines](#) for Private motor vehicle reimbursement; 8.06 or 25.02 - as the factor that translates the average fuel spent for each 100 km travelled (for vehicles or motorbikes, respectively) and  $f_p$  - as the fuel price and  $e$  - as the exchange rate (MT/USD). Expenses shall be justified using: (i) Logbook (FORM27); (ii) Travel permit.

- j) **Use of data, patents, licences and others.** Beneficiary contribution shall be derived when the data, patents, licences or other forms of contributions are not available for free. In-kind contribution shall consist of market price of the data, patents and/or licences. Expenses shall be justified using: (i) receipts or report that confirms that the data, patents, licences or other products were handed over or applied in PROPEIXE operations.
- k) **Use of tools and equipment for PROPEIXE interventions.** This equipment may include fish farming tools, mechanization equipment used by beneficiaries for services that could otherwise be paid by PROPEIXE. They shall be derived from the time (hours) in which the tools or equipment were used for PROPEIXE related activities multiplied by the hourly rent time, using equation (4).

$$CB = h_u \times p_u$$

(4)

Being  $h_u$  total hours of usage (according to the daily usage log); and  $p_u$  hourly usage (renting rate), estimated through quotations. The unit price for equipment rental can also be derived from simple depreciation. Expenses shall be justified using: (i) payment application (ii) logbook confirming usage

- l) **Donation of tools or equipment for PROPEIXE interventions (permanently).** This is for cases where beneficiaries donate their tools or equipment permanently for PROPEIXE, with no return expected from the Programme. Equipment should be used for PROPEIXE related interventions. The initial purchasing cost ( $C$ ), the life-span of the equipment or tool ( $L$ ) and the time elapsed since the good has entered into effective utilization shall be used to derive beneficiary contribution, using equation (5).

$$CB = C - \frac{C}{L} \times l$$

(5)

Taking  $C$  - as the initial purchasing cost,  $L$  - as the lifetime of the equipment and  $l$  - the time elapsed since the good has started to be utilized. That is, the current cost of equipment (by deducting the depreciation from the purchase cost. Expenses shall be justified using: (i) payment application; and (ii) logbook confirming usage.

- m) **Labour for PROPEIXE interventions.** This shall be accounted only when there has been active participation to support programme activities. Expenses shall be justified using (i) beneficiary contribution form (FORM30) dully filled and signed, using equation (6).

$$CB = \frac{h_e \times d_e \times S_m}{8 \times 30.42}$$

(6)

$h_e$  is the number of daily hours in which that the beneficiary has been engaged in PROPEIXE;  $d_e$  total number of days in which the beneficiary was engaged in PROPEIXE and  $S_m$  the monthly salary for the beneficiary (often regarded as the minimum wage)



for the Fisheries Sector). The factors 8 and 30.42 represent the represent the average working hours and days, respectively, in a normal year. Expenses shall be justified using: (i) technical staff assignment form dully filled and signed; and (ii) staff travel permit.

- n) **Construction of physical infrastructure components.** This shall include the cases where beneficiary provide physical infrastructure needed to host PROPEIXE investments (e.g. shades for processing equipment, fingerlings and fish feed production units, ponds and cages). In these cases, in-kind contributions shall be derived using the summation of all construction costs (including  $m_i$  as the quantities of materials for each item (i),  $p_i$  as the price or each item or material (i) and  $r$  the hourly rate for labour (often 20,00 MT/hour, on average) and  $P$ , the number of persons involved, using equation (7).

$$CB = \sum_{i=1}^n m_i \times p_i + d \times r \times P$$

(7)

Taking  $m_i$  as the quantity of item or material  $i$  and  $p_i$  is the price of each item or material  $i$  (the lowest price of at least three sources of sales of such materials in closest points of sale);  $d$  - as the number of days used for construction;  $r$  - as the daily rate corresponding to minimum salary and;  $P$  - as the number of people involved in construction. Expenses shall be justified using: (i) Engineer certificate dully signed by an accredited civil works inspector or technician; and (ii) beneficiary declaration.

#### 9.5.2. Government Contribution

- o) Government contribution is another source of revenue expected for PROPEIXE. (i) Typical contributions shall include provision of office spaces or land; (ii) provision of equipment and tools; (iii) Use of buildings, facilities, and office spaces; (iv) Use of vehicles; (v) Use of data, patents, licences and others; (vi) Use of tools and equipment for PROPEIXE interventions; (vii) Donation of tools or equipment for PROPEIXE interventions (permanently); (viii) Technical assistance for PROPEIXE interventions (through human resources, including experts and specialists). Formulae, means of verifications to compute government contribution is presented in Table 26 and, in most cases is similar to the procedures used to compute beneficiary contribution, as explained earlier.

Table 26 - Main forms of government contribution

#	Source of contribution	Formulae	Means of verification
1	Use of buildings, facilities, and office spaces	$CG = d_o \times P_m \times A_o$ <p>Being: <math>d_o</math> the duration of occupation (days); <math>P_m</math> the average market value of price determined through competitive procurement (should not exceed 1,800 MT/m<sup>2</sup>/month, as per the Decree 75/2017, as of 27 December).</p>	(i) payment application; (ii) dully signed and approved valuation report.
2	Use of vehicles	$GC_{VEHICLES} = d \times 0.28 \times e + \frac{d}{100} \times 8.06 \times f_p$	(i) Logbook (FORM27); (ii) Travel permit;

#	Source of contribution	Formulae	Means of verification
		$GC_{MOTORBIKES} = d \times 0.28 \times e + \frac{d}{100} \times 25.02 \times f_p$ <p>Taking: <math>d</math> - as the total distance travelled; 0.28 - as the travel cost per km (in USD/km) as per these UN <a href="#">Guidelines</a> for Private motor vehicle reimbursement; 8.06 - as the factor that translates the average fuel spent for each 100 km travelled and <math>f_p</math> - as the fuel price and <math>e</math> - as the exchange rate (MT/USD).</p>	
3	Use of data, patents, licenses and others	Market price of the data, patents and/or licenses	(i) receipts or reports
4	Use of equipment for PROPEIXE interventions	$CG = h_u \times p_u$ <p>Being <math>h_u</math> total hours of usage (according to the daily usage log); and <math>p_u</math> hourly usage (renting rate), estimated through quotations. The unit price for equipment rental can also be derived from simple depreciation.</p>	(i) payment application (ii) logbook confirming usage
5	Donation of equipment for PROPEIXE interventions (permanently)	$CG = C - \frac{C}{L} \times l$ <p>Taking <math>C</math> - as the initial purchasing cost, <math>L</math> - as the lifetime of the equipment and <math>l</math> - the time elapsed since the good has started to be utilized. That is, the current cost of equipment (by deducting the depreciation from the purchase cost).</p>	(i) payment application (ii) logbook confirming usage
6	Technical assistance to PROPEIXE interventions (staff, and others)	$CG = \frac{h_e \times d_e \times S_m}{8 \times 30.42}$ <p><math>h_e</math> is the number of daily hours in which that the staff has been engaged in PROPEIXE; <math>d_e</math> total number of days in which the staff was engaged in PROPEIXE and <math>S_m</math> the monthly salary for the technician (obtained from the salary sheet or payment slip for the last August). The factors 8 and 30.42 represent the represent the average working hours and days, respectively, in a normal year.</p>	(i) Payment slip (from the institution); (ii) technical staff assignment form dully filled and signed; (iii) staff travel permit

#	Source of contribution	Formulae	Means of verification
7	Tax or cost exemption	Total exemption cost	Exemption receipt of declaration

## 10. Processing of payments

### **IFAD funds may not be used for payment of taxes, customs or duties.**

#### **10.1. Supporting documentation**

The processing of all payments are subject to **PROPEIXE** retaining the following original supporting documentation after processing:

Expenditure type	Supporting documentation
<i>All</i>	<ul style="list-style-type: none"> <li>▪ Signed contract or confirmed purchase order – showing the specified amount that is due to be paid;</li> <li>▪ The bank guarantee (if applicable) for: <ul style="list-style-type: none"> <li>○ advance payment, as specified in the contract documents;</li> <li>○ performance, as specified in the contract documents;</li> </ul> </li> <li>▪ Copies of communications sent by the IFAD country Project manager to the <b>PROPEIXE</b> providing the 'no objection' to the contract award; and</li> <li>▪ Evidence of payment made by <b>PROPEIXE</b>.</li> </ul>
<i>Goods</i>	<ul style="list-style-type: none"> <li>▪ Items listed above under "all"</li> <li>▪ Supplier's invoice, duly certified for payment by the Project Coordinator– specifying the goods, their quantities, and prices;</li> <li>▪ Bills of lading or similar documents; and</li> <li>▪ As appropriate, the certificate of delivery (to include condition of goods on delivery).</li> </ul>
<i>Civil works</i>	<ul style="list-style-type: none"> <li>▪ Items listed above under "all"</li> <li>▪ The claim of the contractor, including a financial progress report, stating the work performed and the amount due;</li> <li>▪ A certificate – signed by the Project consultants or owner's representative, if any, or by the borrower's chief engineering officer or resident supervising engineer assigned to the Project, to the effect that the work performed is satisfactory and the payment claimed is due in accordance with the terms of the contract; and</li> <li>▪ A copy of the contract payment monitoring form signed in original by the certifying officer.</li> </ul>
<i>Services (including consultants)</i>	<ul style="list-style-type: none"> <li>▪ Items listed above under "all"</li> <li>▪ The supplier's or consultant's claim duly certified for payment by the Project Coordinator and showing sufficient detail.</li> <li>▪ As appropriate, a certificate of delivery of satisfactory services.</li> </ul>

Expenditure type	Supporting documentation
<i>For payment of Trips, fuel, stationary and other expenses</i>	<ul style="list-style-type: none"> <li>▪ Items listed above under "all"</li> <li>▪ Supplier invoices;</li> <li>▪ Evidence of payment;</li> <li>▪ Back to office report;</li> <li>▪ Training certificate,</li> <li>▪ Travel authorization; and/or</li> <li>▪ Expense reports by the traveller (including invoices)</li> <li>▪ Boarding passes</li> </ul>

Pro forma invoices are not acceptable replacements for invoices. In all instances, supporting documentation need to include final invoices.

## **10.2. General guidelines for processing of payments**

For invoice related payments, the following general process is applicable:

Activity	Procedures
<i>Request and approve activity in line with AWPB</i>	Generally, ensure that expenses are in line with the AWPB/Procurement Plan and that IFAD no objection has been obtained if required.
<i>Service delivered, or goods received</i>	Obtain evidence that the goods were delivered / services received to the satisfaction of the Project. Evidence to be retained for the purposes of providing supporting evidence for processing of invoice. (delivery notes, completion reports etc.)
<i>Prepare payment request</i>	<ul style="list-style-type: none"> <li>▪ Once invoices are received, the Accountant prepares a payment request which includes supporting documentation and indicates accounting codes, category of payment, component of payment and source of finance.</li> <li>▪ The Finance Manager reviews the payment request for accuracy and validity.</li> <li>▪ The Finance Manager adds the correct account codes for the purposes of recording the transaction in the accounting software.</li> <li>▪ The disbursement officer forwards the payment request with supporting documentation to the relevant Technical Officer /Component Head for review and sign off.</li> </ul>
<i>Review payment request of</i>	<p>The Project Coordinator shall review and sign the payment request, checking/confirming:</p> <ul style="list-style-type: none"> <li>▪ The expenditure is included in the approved AWPB</li> <li>▪ IFAD no objection was obtained (if applicable).</li> <li>▪ All expenditures are eligible in line with the financing agreement and has been incurred before/completed before Project completion date.</li> <li>▪ Payment was cleared by the relevant component technical officer/head.</li> <li>▪ All supporting documentation is attached</li> </ul>

Activity	Procedures
<i>Approve payment request</i>	<p>The Project Coordinator shall review and sign payment request, checking/confirming:</p> <ul style="list-style-type: none"> <li>▪ The expenditure is included in the approved AWPB</li> <li>▪ All expenditures are eligible in line with the financing agreement and has been incurred before/completed before Project completion date</li> <li>▪ Payment was cleared by the relevant component technical officer/head.</li> <li>▪ All supporting documentation is attached</li> <li>▪ The payment request was reviewed and approved by the Finance Manager.</li> </ul>
<i>Process payment</i>	<ul style="list-style-type: none"> <li>▪ The approved payment request with related documents shall be sent to the accountant for processing and uploading on the online banking platform.</li> <li>▪ The accountant shall confirm that the bank details provided by the supplier corresponds to the signed legal agreement / original bank letter provided.</li> <li>▪ Once loaded on e-SISTAFE banking platform, the payment to be released by two authorised signatories (using unique digital signatures).</li> </ul>
<i>Record payment</i>	<ul style="list-style-type: none"> <li>▪ Account record the transaction in the accounting software, using the correct codes as captured on the payment request.</li> <li>▪ File supporting documentation, include proof of payment (bank statement/bank confirmation of payment)</li> </ul>

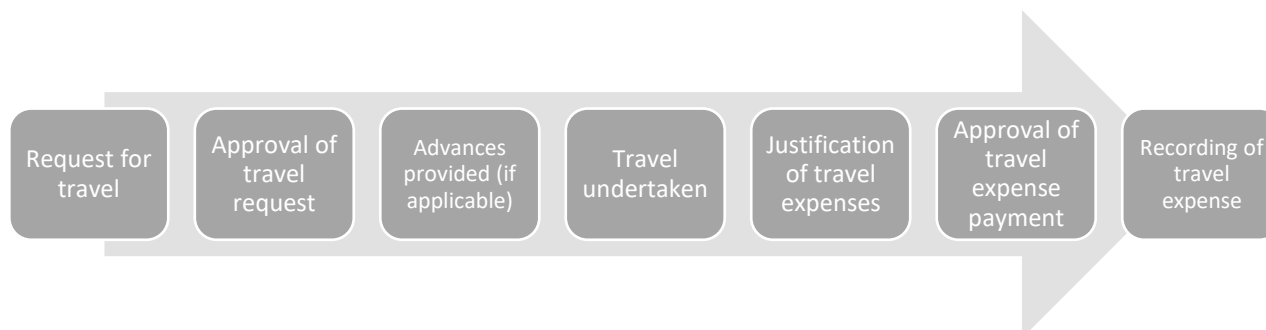
## 5.10

### 10.3. Travel related payments

The following type of travel may take place by Project staff or Project beneficiaries:

- International travel
- Local travel

All types of travel payments follow the general process:



The process for each type of travel is outlined below:

#### 10.4. International travel

International travel	
<i>Type of travel</i>	<ul style="list-style-type: none"> <li>▪ Training which is conducted for Project staff or beneficiaries at an international location.</li> <li>▪ Business trips</li> </ul>
<i>Overview of entitlement</i>	<ul style="list-style-type: none"> <li>▪ Individuals are entitled to DSA, paid based on the number of days of travel for training purposes.</li> <li>▪ The per diem should be used to pay for the cost of accommodation, meals and travel</li> <li>▪ Taxi trips to/from airport and visa is paid for separately based on actual cost estimates.</li> <li>▪ Unused per diem is not returned to the Project.</li> <li>▪ The per diem amount is determined in line Government decree.</li> <li>▪ The per diem is reduced in the event that meals or accommodations is provided to the individual.</li> <li>▪ 100% of the DSA is advanced before commencement of the travel.</li> <li>▪ The number of travel days are calculated from date of departure from home until last day of the training.</li> <li>▪ Air travel is booked by the project and paid for by the Project directly.</li> </ul>
<i>Request for travel</i>	<p>The relevant department will prepare a request for travel which includes:</p> <ul style="list-style-type: none"> <li>▪ List of individuals to attend external training</li> <li>▪ Dates of training</li> <li>▪ Invitation to training / training registration confirmation</li> <li>▪ Overview of training (agenda, location noted) – brochure / email correspondence or other suitable evidence</li> <li>▪ Related AWPB classification (category, component)</li> <li>▪ Calculation of total per diem due (100%)</li> <li>▪ Estimated cost of air travel</li> <li>▪ Estimated cost of visas</li> </ul> <p><i>(Air travel is paid directly by the Project)</i></p>
<i>Approval of travel request</i>	<ul style="list-style-type: none"> <li>▪ The travel request is reviewed by the accountant for: <ul style="list-style-type: none"> <li>○ Accuracy and compliance with the Government decree in terms of the per diem rate applied.</li> <li>○ Alignment with the approved ABPB</li> </ul> </li> <li>▪ The travel request is submitted to the Project Coordinator for approval.</li> <li>▪ IFAD and MoF no-objection should be obtained for travel request after approval by the Project Coordinator.</li> </ul>
<i>Advance provide</i>	<ul style="list-style-type: none"> <li>▪ Upon approval of the travel request by the Project Coordinator, the Project accountant will advance 100% of the total per diem to individuals or the team leader as appropriate.</li> <li>▪ The Project accountant will record the advance in the accounting system, indicating the amount, date of advance, to who advanced and related budget line item (advance is not recorded as an expense at this stage).</li> </ul>

<b>International travel</b>	
<i>Justification of travel expenses</i>	<ul style="list-style-type: none"> <li>▪ Within 10 business days after the travel, the team leader / individual is required to prepare a travel expense report which includes:               <ul style="list-style-type: none"> <li>○ Advance report</li> <li>○ Boarding passes for air travel</li> <li>○ Attendance register completed at the training event</li> <li>○ Back to the office report</li> </ul> </li> <li>▪ The travel expense claim is submitted to the accountant who confirms the accuracy and validity of the travel expense claim.</li> <li>▪ The Financial Manual reviews the travel expense claim for accuracy and validity and captures the correct account codes on the request (in line with AWPB line items). (sign as evidence of review)</li> </ul>
<i>Approval of travel payment</i>	<ul style="list-style-type: none"> <li>▪ The travel expense is approved by the Project Coordinator by way of signing the travel expense report.</li> </ul>
<i>Recording of expense</i>	<ul style="list-style-type: none"> <li>▪ The total travel expense is recorded as training expenditure/business trip, by clearing the travel advance, in terms of the correct category and component, in line with the account codes which are captured on the travel expense report.</li> </ul>

**In all instances, unjustified travel advances will need to be reimbursed to the Project by the traveller within three months after the travel date or the amount will be deducted from the payroll.**

### 10.5. Local travel

<b>Local travel</b>	
<i>Type</i>	Training / field visits
<i>Overview of entitlement</i>	<ul style="list-style-type: none"> <li>▪ The number of travel days used for the calculation of per diem is calculated from date of departure from home until last day of the training.</li> <li>▪ If Project vehicles are used, the driver is responsible for ensuring the vehicle is refuelled in terms of the process outlined in Section 10.8.</li> <li>▪ If private vehicles are used, staff are reimbursed in line with the allowable rate per kilometre as specified in the staff bylaws, based on actual distance travelled.</li> </ul>
<i>Request for travel</i>	<p>The relevant department will prepare a request for travel which includes:</p> <p>Training:</p> <ul style="list-style-type: none"> <li>▪ List of individuals to attend training</li> <li>▪ Dates of training</li> <li>▪ Overview of training (agenda, location noted) – brochure / email correspondence or other suitable evidence</li> <li>▪ Related AWPB classification (category, component)</li> </ul>

<b>Local travel</b>	
	<ul style="list-style-type: none"> <li>▪ Confirmation from the Finance Manager that a Project vehicle(s) is available for the travel dates should this be the mode of transportation</li> <li>▪ Calculation of per diem in line with Government rates.</li> </ul> <p>Field visits:</p> <ul style="list-style-type: none"> <li>▪ Request for field trip from technical department</li> </ul>
<i>Approval of travel request</i>	<ul style="list-style-type: none"> <li>▪ The travel request is reviewed by the accountant for: <ul style="list-style-type: none"> <li>○ Accuracy and compliance with the staff bylaws in terms of the pocket money allowance / estimation for fuel costs</li> <li>○ Alignment with the approved ABPB</li> </ul> </li> <li>▪ The travel request is submitted to the Project Coordinator for approval.</li> <li>▪ Once approved, the team leader or individual should submit a request for vehicle use.</li> </ul>
<i>Advance provide</i>	<ul style="list-style-type: none"> <li>▪ No fuel advances are provided in cash (driver will use fuel card to refuel)</li> <li>▪ Applicable per diem is advanced in cash.</li> </ul>
<i>Justification of travel expenses / return of unused fuel advance</i>	<ul style="list-style-type: none"> <li>▪ Within 5 business days after the travel, the team leader / individual is required to prepare a travel expense report which includes: <ul style="list-style-type: none"> <li>○ Attendance register completed at the training event</li> <li>○ If a private vehicle was used, indication of total distance travelled in kilometres with payment due to vehicle owner, based on the approved rate.</li> <li>○ If a Project vehicle was used, invoiced for fuel which was paid from fuel advance.</li> <li>○ Back to the office report (in case of field visits)</li> </ul> </li> <li>▪ The travel expense claim is submitted to the accountant with the fuel advance which was not used.</li> <li>▪ The accountant confirms the accuracy and validity of the travel expense claim and determines the per diem which is due.</li> <li>▪ The Project accountant reviews the travel expense claim for accuracy and validity and captures the correct account codes on the request (in line with AWPB line items). (sign as evidence of review)</li> </ul>
<i>Approval of travel payment</i>	<ul style="list-style-type: none"> <li>▪ The travel expense is approved by the Project Coordinator by way of signing the travel expense report.</li> </ul>
<i>Recording of expense</i>	<ul style="list-style-type: none"> <li>▪ The total travel expense is recorded as expenditure in terms of the correct category and component, in line with the account codes which are captured on the travel expense report. (advance cleared at this stage)</li> <li>▪ Only fuel expenses may be charged to the training budget code. If other vehicle maintenance was incurred, this expense is recorded as maintenance.</li> </ul>

## **10.6. Civil works, equipment and tools**



Activity	Procedures
<i>Request and approve activity in line with AWPB</i>	<ul style="list-style-type: none"> <li>▪ Civil works, equipment and tools are defined and outlined in both the AWPB and the Procurement Plan.</li> <li>▪ Civil works, equipment and tools is contracted via a procurement process as outlined in the Procurement Manual.</li> <li>▪ IFAD no objection is required on the bidding document, recommendation of award and contract outline before the final bid award is made. (refer to Letter to the Borrower)</li> </ul>
<i>Prepare payment request</i>	<ul style="list-style-type: none"> <li>▪ The procurement officer will request payment of invoices, subject to providing the following supporting documentation: <ul style="list-style-type: none"> <li>- Copy of civil contract with award letter (for civil only)</li> <li>- Contract amendment letter (if applicable)</li> <li>- Bid analysis and evaluation report</li> <li>- Evidence of IFAD no objection related to the contract award</li> <li>- Purchase order / Invoice</li> <li>- Progress report prepared by consulting engineer</li> </ul> </li> <li>▪ The accountant prepares a payment request which includes the supporting documentation.</li> <li>▪ The accountant reviews the payment request for accuracy and validity.</li> <li>▪ The Finance Manager adds the correct account codes for the purposes of recording the transaction in the accounting software.</li> <li>▪ The accountant forwards the payment request with supporting documentation to the relevant Technical Officer /Component Head for review and sign off.</li> </ul>
<i>Review and approval of payment request</i>	<p>The Finance Manager reviews and signs the payment request before submission to the Project Coordinator. The Project Coordinator shall review and sign the payment request, checking/confirming:</p> <ul style="list-style-type: none"> <li>▪ The expenditure is included in the approved AWPB</li> <li>▪ IFAD no objection was obtained related to procurement as applicable</li> <li>▪ All expenditures are eligible in line with the financing agreement and has been incurred before/completed before Project completion date.</li> <li>▪ Payment was cleared by the relevant component technical officer/head.</li> <li>▪ All supporting documentation is attached.</li> <li>▪ <b><u>Where stipulated in the contract, the required bank guarantees are valid and is retained in the project's safe.</u></b></li> </ul>
<i>Process payment</i>	<ul style="list-style-type: none"> <li>▪ The approved payment request with related documents shall be sent to the accountant for processing and uploading on the online banking platform.</li> <li>▪ The accountant shall confirm that the bank details provided by the supplier corresponds to the signed legal agreement / original bank letter provided.</li> <li>▪ Once loaded on the banking platform, the payment to be released by 2 authorised signatories (using unique digital signatures)</li> </ul> <p><b><u>(NB: Cheques are not used for these payments)</u></b></p>

Activity	Procedures
<i>Record payment</i>	<ul style="list-style-type: none"> <li>▪ Account record the transaction in the accounting software, using the correct codes as captured on the payment request.</li> <li>▪ File supporting documentation, include proof of payment (bank statement/bank confirmation of payment)</li> </ul>

### 10.7. Payments for consultant services

Activity	Procedures
<i>Request and approve activity in line with AWPB</i>	<ul style="list-style-type: none"> <li>▪ The process for requesting and approving consultants is outlined in the procurement section of the PIM (and LTR) and is dependent on whether the service is recruited internationally, nationally, locally or on a single source basis.</li> <li>▪ In some instances the procurement of consulting services is subject to IFAD's no objection.</li> </ul>
<i>Prepare payment request</i>	<ul style="list-style-type: none"> <li>▪ The procurement officer will request payment of consulting services subject to providing the following supporting documentation: <ul style="list-style-type: none"> <li>- Copy of consulting contract and invoice requesting payment (invoice to specify bank details in line with contract)</li> <li>- Copy of output (report / study etc.)</li> <li>- Copy of timesheets (if time-based payment is required)</li> <li>- Written recommendation for payment from the relevant technical department which confirms that the consultant(s) have delivered the key outputs as specified in the consulting contract.</li> <li>- Confirmation of IFAD no objection.</li> </ul> </li> <li>▪ The accountant prepares a payment request which includes the supporting documentation.</li> <li>▪ The accountant reviews the payment request for accuracy and validity.</li> <li>▪ The Finance Manager adds the correct account codes for the purposes of recording the transaction in the accounting software.</li> <li>▪ The accountant forwards the payment request with supporting documentation to the relevant Technical Officer /Component Head for review and sign off.</li> </ul>
<i>Review and approval of payment request</i>	<p>The Finance Manager reviews and signs the payment request before submission to the Project Coordinator. The Project Coordinator shall review and sign the payment request, checking/confirming:</p> <ul style="list-style-type: none"> <li>▪ The expenditure is included in the approved AWPB</li> <li>▪ IFAD no objection was obtained related to procurement as applicable</li> <li>▪ All expenditures are eligible in line with the financing agreement and has been incurred before/completed before Project completion date.</li> <li>▪ Payment was cleared by the relevant component technical officer/head.</li> <li>▪ All supporting documentation is attached.</li> </ul>

Activity	Procedures
	<p>The Finance Manager reviews and signs the payment request before submission to the Project Coordinator. The Project Coordinator shall review and sign the payment request, checking/confirming:</p> <ul style="list-style-type: none"> <li>▪ The expenditure is included in the approved AWPB</li> <li>▪ IFAD no objection was obtained related to procurement as applicable</li> <li>▪ All expenditures are eligible in line with the financing agreement and has been incurred before/completed before Project completion date.</li> <li>▪ Payment was cleared by the relevant component technical officer/head.</li> <li>▪ All supporting documentation is attached.</li> </ul>
<i>Process payment</i>	<ul style="list-style-type: none"> <li>▪ The approved payment request with related documents shall be sent to the accountant for processing and uploading on the online banking platform.</li> <li>▪ The accountant shall confirm that the bank details provided by the supplier corresponds to the signed legal agreement / original bank letter provided.</li> <li>▪ Once loaded on the banking platform, the payment to be released by 2 authorised signatories (using unique digital signatures)</li> <li>▪ <b><u>(NB: Cheques are not used for these payments)</u></b></li> </ul>
<i>Record payment</i>	<ul style="list-style-type: none"> <li>▪ Account record the transaction in the accounting software, using the correct codes as captured on the payment request.</li> <li>▪ File supporting documentation, include proof of payment (bank statement/bank confirmation of payment)</li> </ul>

### 10.8. Payments for fuel

Vehicles may be refuelled at the local preferred fuel station, based on approved purchase orders issued to drivers by the Project accountant. In such instances the driver does not pay in cash for fuel. On a monthly basis the preferred petrol station will submit a customer statement for payment to the Project. The customer statement should:

- a. List all individual invoices separately with supporting purchase orders issued by the Project accountant
- b. Indicate the date and amount (value and volume)
- c. Indicate the vehicle registration number

The administrative assistant will compare the customer statement information to the respective Project vehicle logbooks to confirm accuracy of the customer statement. In addition, the administrative assistant will confirm that only approved Project vehicles are listed on the customer statement. Once the administrative assistant is satisfied with the customer statement, a payment request will be prepared.

If drivers are not able to refuel at the preferred fuel station, drivers may use fuel advances to procure fuel. In all instances, travel is approved in line with required procedures. The fuel invoices should be attached to the trip expense to be filed upon return to the office.

### 10.9. Advances to implementing agencies

Implementing agencies will request funds from PROPEIXE for the purposes of implementing activities.

Activity	
<i>Receive payment request</i>	<ul style="list-style-type: none"> <li>▪ Implementing agency submit ad-hoc funds requests in writing, using a request for funds form.</li> <li>▪ The request for funds form to be duly authorised by the Project Coordinator of the Implementing Agency.</li> <li>▪ The request for funds form to stipulate the individual activities for which funds are requested in line with the approved AWPB.</li> </ul>
<i>Prepare payment request</i>	<ul style="list-style-type: none"> <li>▪ The Accountant will receive and review the request for funds from the implementing agency and confirm that requested funds are for activities approved in the AWPB related to the specific agency.</li> <li>▪ <i>The Accountant may reject a request for funds if the implementing agency has large advances which have not been justified for previous funds requests.</i></li> <li>▪ The accountant prepares a payment request which indicates the details of the implementing agency and amount to be transferred.</li> </ul>
<i>Review approval and of payment request</i>	<ul style="list-style-type: none"> <li>▪ The Accountant submits the payment request and supporting documentation to the Finance Manager and Project Coordinator for review and approval.</li> <li>▪ The Project Coordinator shall review and sign the payment request, checking/confirming that the funds allocation is included in the approved AWPB.</li> </ul>
<i>Process payment</i>	<ul style="list-style-type: none"> <li>▪ The approved payment request will be submitted for payment.</li> <li>▪ The accountant to load the payment on the online banking platform.</li> <li>▪ Payment released by 2 authorised signatories.</li> </ul>
<i>Record payment</i>	<ul style="list-style-type: none"> <li>▪ Accountant to record the advance in the accounting software against the specific implementing agency.</li> <li>▪ <i>Do not record the advance as an expense. Once advance is justified, account for expenses using the correct expense codes (component, category) at the historical exchange rate.</i></li> </ul>

## 11. Withdrawal Applications

**At the end of every quarter, the Finance Manager will prepare the interim financial report, which will include cash flow forecast for the subsequent six months. On the basis of the cashflow forecast, the project will prepare a withdrawal application requesting an advance from IFAD equivalent to the forecast for the upcoming quarter. Additionally, the project will prepare another withdrawal application justifying the expenditure incurred in the quarter and any previous expenditure that had not been justified. Accordingly, there will be two withdrawal applications: justification WA and request for advance WA. WA to request for advance may not be applicable where the cashflow forecast is less than the available funds at the end of the reporting quarter.**

**The finance team must be efficient in submitting disbursement requests to IFAD, otherwise liquidity may be an obstacle to implementation. Whereas IFRs are due 45 days from the end of the quarter, projects can prepare and submit IFRs any time after the end of the quarter and can request for funds if needed.**

**It is essential for the Finance Manager to know the available treasury balance of PROPEIXE efficiently. The main objectives are to ensure that:**

- a. **There are sufficient funds in the treasury to implement the planned activities.**
- b. **The project disbursement rate closely tracks progress in physical activity;**
- c. **PROPEIXE's performance increases and that the project is well positioned to meet its objectives, as outlined in the PDR.**

**The key elements related to the project's cash position are:**

- a. **Balance status in designated accounts (using cash books at reporting date);**
- b. **Balance status in operating accounts (using cash books at the reporting date);**
- c. **The status of cash on hand (using the cash book at the reporting date)**
- d. **The monetary value of disbursement requests submitted to IFAD for reimbursement;**
- e. **The monetary value of disbursement requests to be submitted to IFAD.**

## **12. Financial Reporting and Auditing**

**Periodic financial progress reports are required under the IFAD Financing Agreement. Sufficient information must be made available on how the funds are used, on the amounts spent and the results obtained. Key financial reports to be produced will include the following: AWPBs, monthly financial reports, other periodic financial progress reports, supervisory reports, annual financial statements and audit reports.**

### **12.1. Financial Reporting**

The section on financial reporting deals with:

- Financial reports for submission to IFAD and other financiers
- Implementing agencies reporting to PROPEIXE

#### *12.1.1. Financial reports for submission to IFAD and other financiers*

PROPEIXE is responsible for submitting consolidated financial reports to IFAD. *The applicable financial reporting requirements applicable to IFAD-financed Projects are outlined in the IFAD Handbook for Financial Reporting and Auditing for IFAD-financed Projects* which may be updated from time to time. The Finance Manager should ensure adherence to the latest version of the Handbook.

PROPEIXE is required to prepare financial reports and submit to IFAD as outlined in the table below:

Type	Period / Frequency of submission
<i>Annual Financial Statements</i>	<ul style="list-style-type: none"> <li>▪ <u>Unaudited</u>: Prepare annual reports and submit to IFAD within 4 months of the end of the financial year-end.</li> <li>▪ <u>Audited</u>: Submit audited financial statements within 6 months of the end of the financial reporting period.</li> </ul> <p>The reports should be prepared in line with requirements are outlined in Section 12.1.4. The annual financial statement should be authorised by the Project Coordinator before submission to the auditor/IFAD.</p>
<i>Interim financial reports</i>	Prepare quarterly reports and submit to IFAD within 45 days of the end of the quarter. The reports should be prepared in line with requirements contained in the template and guidelines for interim financial reports.

### 12.1.2. Financial reporting requirements

PROPEIXE is required to prepare financial reports in line with IPSAS, "Financial Reporting under the Cash Basis of Accounting" (IPSAS Cash). Should IDEPA propose to use a different accounting standard, this should be agreed with IFAD. In all instances, IFAD required Projects to use internationally accepted accounting standard.

### 12.1.3. General principles for the preparation of financial reports

PROPEIXE shall prepare financial reports with consideration of the following specific principles:

Principal	Guidance
<i>Completeness</i>	<ul style="list-style-type: none"> <li>▪ The financial reports shall be complete and include the activities of PROPEIXE, provincial delegations and other implementing agencies and present the results of a single entity.</li> <li>▪ The sources and uses of all categories/components shall be included (including sources received in-kind).</li> <li>▪ The sources and uses from all financiers shall be included, including: <ul style="list-style-type: none"> <li>○ IFAD Loan</li> <li>○ IFAD Grant</li> <li>○ GEF/OFID Loan</li> <li>○ Government Contributions</li> <li>○ Beneficiary Contributions</li> </ul> </li> </ul>
<i>Accuracy</i>	<ul style="list-style-type: none"> <li>▪ Ensure that the various disclosures as outlined in Section 12.1.4 are reconcilable as appropriate</li> </ul>
<i>Accountability</i>	<ul style="list-style-type: none"> <li>▪ The financial reports should promote the concept of accountability.</li> </ul>

### 12.1.4. Minimum prescribed content for interim and annual financial reports

PROPEIXE is required to prepare financial reports (annual and interim) which includes the following minimum prescribed content (an illustrative financial statements is outlined in Annex 5):

Detailed guidance on the preparation of the disclosures as prescribed by IPSAS Cash can be found in the Standard (<https://www.ifac.org/publications-resources/revised-cash->

[basis-ipsas](#)). PROPEIXE is required to adopt all reporting requirements as outlined in Part 1 of IPSAS Cash. The Project is encouraged to adopt Part 2 of IPSAS Cash on a voluntary basis.

Content	Source of requirement	Guidance on preparation of content
<i>Statement of Cash Receipts and Payments</i>	Prescribed by IPSAS Cash	<ul style="list-style-type: none"> <li>▪ Layout:               <ul style="list-style-type: none"> <li>○ Receipts – Payments = Surplus/Deficit + Opening Cash +/- Exchange rate difference = Closing Cash Balance</li> </ul> </li> <li>▪ The opening and closing cash balance should include the balance of the designated accounts (USD) and all Project accounts (Meticals)</li> <li>▪ The opening and closing cash balance in the Designated Account is derived by applying the spot rate on the date of translation</li> <li>▪ Disclose cash receipts using an appropriate classification system (<i>Contributions from external financiers, Contributions from Government, Contributions from Beneficiaries, Cash generated from Project activities</i>)</li> <li>▪ Disclose cash payments in line with the categories outlined in Schedule 2 of the IFAD financing agreement</li> <li>▪ Disclose the exchange rate gain or loss (resulting from the translation of funds in the designated account from USD to Meticals and vice versa).</li> </ul>
<i>Budget to Actual Comparison</i>	Prescribed by IPSAS Cash	<ul style="list-style-type: none"> <li>▪ Ensure that the Budget period corresponds to the Financial Reporting Period</li> <li>▪ Derive the budget disclosure from the approved AWPB. Disclose both the original and final approved AWPB.</li> <li>▪ Calculate the variance between budgeted and actual results for both receipts (sources) and uses (payments)</li> <li>▪ Provide narrative on the reason for the variances observed.</li> </ul>
<i>Accounting policies and explanatory notes</i>	Prescribed by IPSAS Cash	<ul style="list-style-type: none"> <li>▪ Develop accounting policies with reference to the guidance provided in IPSAS Cash</li> <li>▪ Disclose the authorisation date</li> <li>▪ Disclose the basis of presentation</li> <li>▪ Disclose the presentation currency</li> </ul>
<i>Sources and Uses of Funds Statement</i>	Prescribed by the IFAD Handbook for Financial Reporting and Auditing for IFAD-financed Projects	<ul style="list-style-type: none"> <li>▪ Include both cash and in-kind contributions in the Sources of Funds</li> <li>▪ Provide disclosure on uses of funds by financier/by category and financier/component</li> </ul>

Content	Source of requirement	Guidance on preparation of content
<i>Designated account reconciliation</i>	Prescribed by the IFAD Handbook for Financial Reporting and Auditing for IFAD-financed Projects	<ul style="list-style-type: none"> <li>▪ Prepare reconciliation which provide justification for the IFAD advance – disclose for each designated account.</li> <li>▪ Explain variances.</li> <li>▪ The IFAD Loan Disbursement Handbook provides detailed guidance on the preparation of the reconciliation.</li> </ul>
<i>Designated account Statement</i>	Prescribed by the IFAD Handbook for Financial Reporting and Auditing for IFAD-financed Projects	<ul style="list-style-type: none"> <li>▪ Prepare for each designated account.</li> <li>▪ Ensure that opening and closing cash balances presented in this Statement is reconciled with the cash balances used in the Statement of Cash Receipts and Payments.</li> <li>▪ Disclose the exchange rate gain/loss separately and ensure that this is reconciled with the Statement of Cash Receipts and Payments.</li> <li>▪ The IFAD Loan Disbursement Handbook provides detailed guidance on the preparation of the reconciliation.</li> </ul>
<i>Summary of Withdrawal Applications</i>	Prescribed by the IFAD Handbook for Financial Reporting and Auditing for IFAD-financed Projects	<ul style="list-style-type: none"> <li>▪ Ensure that summary information is reconcilable with the IFAD historical transaction statement (to be requested from the IFAD Finance Officer) with regards to the value date of the transaction amount of withdrawal in loan denomination currency.</li> <li>▪ Cross reference amounts included here per WA to amounts included in the Designated Account Statement / Designated Account Reconciliation.</li> </ul>
<i>Fixed asset register</i>	Prescribed by the IFAD Handbook for Financial Reporting and Auditing for IFAD-financed Projects	<ul style="list-style-type: none"> <li>▪ Include a fixed asset register which lists all Project assets (<i>including those purchased on behalf of implementers if the Project retains the title and the assets will be returned to the Project at Project closure</i>).</li> <li>▪ Indicate the implementing agency which procured the asset and related component.</li> <li>▪ Ensure that all fields are included – refer illustration included in Annex 5.</li> </ul>

In addition to the above disclosures, the Project is required to maintain and Action Tracker log which is a log of agreed actions. This document should be maintained on an on-going basis provide together with the financial report (interim or annual). The Action Tracker format is outlined in Annex 5. It is required that the Action Tracker include actions which have been agreed on with IFAD during missions or the Auditor during the audit (derived from the management letter). The purpose of the Action Tracker is to keep track of progress regarding agreed on actions.

#### 12.1.5. Other considerations



The following specific issues should be considered in the preparation of the financial reports:

- Accrual related information should be disclosure in the notes of the financial statements. This includes outstanding advances, which, in terms of the cash basis of accounting, should be expensed when provided. This entails that the advance will be recorded in the relevant categories /components at year-end. *(NB: Best practice is that zero advances are outstanding at the end of the fiscal year).*
- In-kind contributions from Government should be reported in the notes to the financial statements.

#### *Implementing agencies reporting to PROPEIXE*

All implementing agencies which report to PROPEIXE are required to submit monthly reports to the project. PROPEIXE will review the reports and verify bank balances/expenses with reference to supporting documentation attached to the report. PROPEIXE will proceed to record individual transactions in e-SISTAFE and clear related advances. The implementing agencies are required to submit monthly reports using the report format to be provided by PROPEIXE.

### **12.2. Audit matters**

#### *12.2.1. Internal Audit*

**MIMAIP's Internal Audit Department must include PROPEIXE in its internal audit work plans; associated reports will be submitted to PROPEIXE, MIMAIP and NPSC. IFAD will require the submission of related action plans and progress reports on the implementation of internal audit recommendations. Internal audit reports are expected to provide assurance that PROPEIXE is being implemented in compliance with the approved AWPB and in compliance with GoM regulations and the IFAD financing agreement. A key risk is the low capacity of staff to cover the project's internal audit requirements. It is recommended that, at the outset, internal audit personnel be present and attentive to familiarize themselves with IFAD's procedures.**

#### *12.2.2. External audit*

**The project audit is an ex-post review of the financial statements, transaction records and financial systems. Examines the adequacy of accounting systems and procedures, the ability to maintain adequate accounts and documentation of project/grant expenditures. The purpose of the project audit is to provide credibility and assurance of accountability. In accordance with the IFAD General Conditions and the IFAD Guidelines for Project Audits, financial statements must be audited by an external auditor acceptable to IFAD. Audited financial statements must be submitted to IFAD no later than six months after the end of the fiscal year.**

**The project's financial statements will be audited annually by the supreme audit institution, Tribunal Administrativo, in line with IFAD's audit guidelines. Annual audits will also verify the accuracy of IFRs submitted in the year. Financial management and internal control procedures will be detailed in the project implementation manual, which will include TORs for finance staff and template IFR and other financial reports.**

**Detailed instructions for auditing projects are outlined in the IFAD Guidelines for Project Audits, available at <http://www.FIDA.org/web/guest/corporate-documents>.**

IFAD promotes the use of internationally accepted auditing standards and requires that **PROPEIXE** be audited in terms of the International Standards on Auditing (ISA). Audit terms of reference are included in Annex 7.

Audit reporting period. IFAD generally requires an annual audit of Project financial statements. However, the frequency of the audit may be changed by IFAD as a function of the Project's risk profile. In all instances, IFAD will confirm the frequency with which **PROPEIXE's** financial statements are to be audited.

The audit reporting period may be amended for the first and/or final audits, in line with the following guidance:

- For the first audit, in cases in which the Project commences during the financial year, the following procedures will generally apply:
  - When the period between the first disbursement and the end of the financial year is less than six months, IFAD may allow the results for the first financial period to be included in the following financial year's audit; or
  - When the period between the date of the first disbursement and the financial year-end is greater than six months, audited financial statements for the period are always required.
- For the final audit, IFAD may recommend an audit reporting period that is longer or shorter than 12 months, but that in no case may exceed 18 months. This is to ensure that the final audit can be concluded and the audit report submitted to IFAD by the Project Closing Date.

In such instances, IFAD will discuss and agree on its requirements with the borrower well in advance of commencement of the final audit.

IFAD Audit reviews. IFAD will conduct reviews of PROPEIXE's audit reports. The main purpose of the reviews is to determine whether the private auditor conducted a quality audit resulting in an audit opinion acceptable to IFAD, and to assess the quality of the financial reporting of PROPEIXE. IFAD will communicate the results of the audit report review process within sixty days following receipt of the audit package. If required, PROPEIXE will be requested to take corrective actions within a specified time frame. These actions should be included and monitored in the Action Tracker.

Public disclosure of audit reports. IFAD will publicly avail PROPEIXE's Project financial statements and audit reports, subject to processes applicable to their publication. In line with the standards of the International Aid Transparency Initiative, PROPEIXE is encouraged to publish financial information on its own website, for increased accountability. PROPEIXE must ensure that the audit TORs explicitly mention the right of the PROPEIXE and of IFAD to publish the audit report, with no limitation-of-use clause.

### **13. Fixed Asset Management**

Fixed asset management is an important process that seeks to track fixed assets for the purposes of financial accounting and to ensure preventive maintenance, and theft deterrence. Adequate Fixed asset maintenance also increases the sustainability of the Project. There are three elements in fixed asset management that require the attention of the Finance Manager:

- Purchase of equipment
- Setting up and maintaining an asset register including verification
- Setting up a plan for disposal and/or handover of the asset once the Project is completed

#### *13.1. Purchase of Equipment*

The accountant should follow the following process for each fixed asset purchased:

- Assign a unique, sequential asset number (excluding minor items such as stationery).
- Tag each item with its unique asset number.
- Record the item of equipment in fixed asset register

#### *13.2. Fixed asset register*

The accountant must maintain a fixed asset register in the asset management module of the accounting software. The asset register should record the following information for each individual piece of equipment (refer Annex 5 for illustration):

- Asset description
- Asset number
- Individual responsible for asset
- Implementing agency responsible for purchase
- Source of funding of asset (IFAD, government etc.),
- Location of the asset
- Date of purchase
- Cost of purchase and invoice number
- Remarks regarding the condition of the asset

The Finance Manager shall ensure that the consolidated fixed asset register is maintained and updated regularly.

Assets purchased for beneficiary use should be included in the fixed asset register if the assets remain under the ownership of the Project (therefore beneficiaries to return to Project at Project closure).

#### *13.3. Asset Verification Review*

Under the management of the Finance Manager, PROPEIXE must conduct an annual asset verification process whereby the following checks are performed:

- Verify that all fixed assets are still held in the location recorded on the register;
- Confirm the completeness and accuracy of the information recorded on the fixed asset register;
- Check that equipment and vehicles are still in a reasonable state of repair and that remarks regarding the condition of the assets are correct as recorded in the fixed asset register;

The verification review must be performed by different staff from those who use the equipment, to ensure adequate segregation of duty. Discrepancies between the verification exercise and the fixed asset register should be investigated. Where assets are missing or seriously damaged, they should be removed from the asset register. The removal should be formally documented and approved by Finance Manager and Project Coordinator. Moreover, the Finance Manager will undertake random verification of fixed assets during field visit.

#### *13.4. Vehicle Maintenance and Fuel*

Drivers are required to maintain waybills/itinerary lists and vehicle history records (refer to Annex 4). No cash shall be advanced to drivers for the purposes of refueling.

- Each vehicle to have dedicated fuel card which indicate the vehicle registration number.
- Each fuel card to have a set daily / monthly limit based on average consumption.
- Changes to the monthly limit is subject to approval by the Finance Manager (which will be approved based on approved trips).
- The waybill shall indicate the reading of odometer at the beginning and end of the period, i.e. the mileage of the car, as well as fuel consumption.
- Fuel stations shall provide a monthly summary report on fueling and invoice which the accountant shall compare to the fuel invoices attached to the waybill. Differences to be followed up/resolved.
- Provision of fuel and lubricants shall be strictly limited per each vehicle per month in accordance with the order signed by the Management.

#### *13.5. Vehicle insurance*

The Finance Manager should ensure that all Project vehicles are comprehensively covered and that all drivers are noted on the insurance policy. Under no circumstances may uninsured drivers drive the vehicles. The insurance policies should be renewed annually or as stipulated in the policy. The safety of cars is the responsibility of the drivers assigned to the vehicles. Consequently, they must ensure that the vehicles are parked in a secure area when not in use or outside working hours.

#### *13.6. Maintenance*

The drivers are required to monitor the maintenance of their assigned vehicles. The drivers must notify the Finance Manager of maintenance needs so that the cars can be serviced on a timely basis. The Finance Manager is required to request the car maintenance, subject to approval by the Project Coordinator. The assigned cars must always be taken to the selected garage for repairs and maintenance.

#### *13.7. Asset handover plan*

The plan should develop report outlining the following for the purposes of handing over Project assets to the identified beneficiaries:

- The value of all the assets bought under the Project
- Summary of the current condition of the assets,
- To which entity, will the assets be transferred to and on which date and for what purpose.
- List the assets that will be disposed and the reason for being disposed.

#### 14. IFAD Financing agreements – amendments and budget reallocations

If amendments are required to the financing agreement:

- a formal written request should be submitted to IFAD
- outlining the required amendment and motivation thereof.

Amendments to the agreement may be required for (but not limited to):

- Changes to the project completion date and grant closing date,
- Changes to the project budget/budget reallocation (noting that the budget may not be increased above the original total amount)

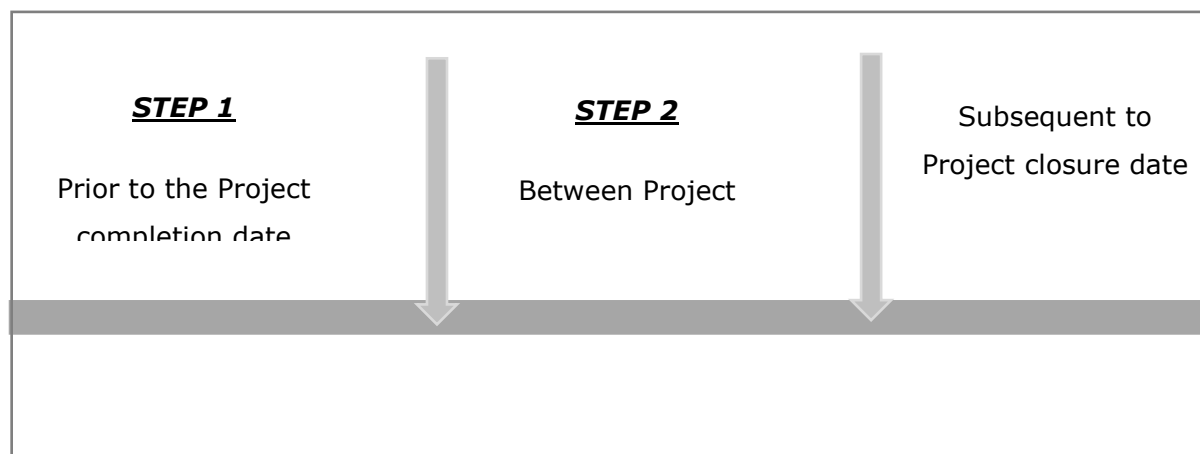
Budget reallocations

- In some cases, the expenses category amounts as outlined in the financing agreement requires a revision if the project notes that actual expenditure is deviating from the original budget.
- In such instances a reallocation is required, depending on the size of the reallocation per category (expressed as %)
- Reallocation of equal to or less than 10% (of each category) between the various categories if such a reallocation ***does not change the basic purpose of the project.***
- For reallocation greater than 10% of any expense category, the Borrower is required to formally request a reallocation from IFAD (supported by a detailed motivation).

**Refer to the Project Financial Management and Financial Control Handbook (link provided under [Useful links](#)).**

#### 15. Project completion and closure

The Project completion date is defined in the financing agreement and the Project closure date is 6 months thereafter. The following is relevant to period before Project completion up to Project closure:



Project completion  
date

**STEP 3**

Project closure  
date

STAGE 1	STAGE 2	STEP 3
Up to the Project completion date	Between Project completion and closure	Project closure date
<ul style="list-style-type: none"> <li>▪ Submit an advance recovery plan to IFAD, indicating how the advance will be recovered up to Project closure (in line with financing agreement) (<i>request template for plan from IFAD</i>)</li> <li>▪ Agree on the audit scope of work and submit to IFAD for no objection</li> <li>▪ Incur eligible expenditure up to the Project completion date</li> </ul>	<ul style="list-style-type: none"> <li>▪ Commencement of the final audit</li> <li>▪ Auditor performs the final audit in line with scope of work approved by IFAD</li> <li>▪ Incur winding up expenditure only (cost of audit, staff salaries, operating costs, Project completion report)</li> <li>▪ Submit final withdrawal application and recover advance via this process</li> <li>▪ Develop an asset handover and disposal plan (include up to date fixed asset register, indicate condition of all assets and to which entity the assets will be transferred.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Submit final audit report on or before the Project closure date</li> <li>▪ Submit Project completion report on or before the Financial Closure Date (as required in the financing agreement)</li> <li>▪ Confirm the final withdrawal application with IFAD</li> <li>▪ Return outstanding advance if applicable (if due and not recovered via recovery process)</li> <li>▪ Closure of the grant with IFAD</li> </ul>

A notice is sent to the Borrower at least six months prior to the project completion date (PCD) to advise that all applications must be submitted before the closing date, and to remind the Borrower that expenditures incurred and commitments made after the PCD will not be honoured, except for authorised expenditures during the "Winding Up Period" (from PCD to Financing Closing Date). This means that goods are delivered, civil works are completed and services are rendered on or before such date.

After the financing closing date, IFAD informs the Borrower of the formal closure of the loan/grant account, provides a history of disbursement transactions and cancels the unused loan/grant balance. A re-amortisation plan should be sent where relevant.

- **Useful links**

Document	Link
<i>IFAD financial management e-learning</i>	<a href="https://www.ifad.org/elearning_cfs_a/index.html">https://www.ifad.org/elearning_cfs_a/index.html</a>
<i>Project Financial Management and Financial Control Handbook for Borrowers</i>	<a href="https://www.ifad.org/en/-/document/loan-disbursement-handbook-for-projects-approved-under-gcs-effective">https://www.ifad.org/en/-/document/loan-disbursement-handbook-for-projects-approved-under-gcs-effective</a>
<i>Revised IFAD policy on preventing fraud and corruption in its activities and operations (December 2018)</i>	<a href="https://www.ifad.org/en/document-detail/asset/40189695">https://www.ifad.org/en/document-detail/asset/40189695</a>
<i>Guidelines for internal controls for Public Sector Entities (INTOSAI GOV 9100)</i>	<a href="http://www.intosai.org/issai-executive-summaries/detail/intosai-gov-9100-guidelines-for-internal-control-standards-for-the-public-sector.html">http://www.intosai.org/issai-executive-summaries/detail/intosai-gov-9100-guidelines-for-internal-control-standards-for-the-public-sector.html</a>
<i>IFAD General Conditions for Agricultural Development Financing</i>	<a href="https://www.ifad.org/documents/38711624/39421024/general_e.pdf/47c5f14b-2903-4285-b0b0-62c67cd650b8">https://www.ifad.org/documents/38711624/39421024/general_e.pdf/47c5f14b-2903-4285-b0b0-62c67cd650b8</a>
<i>IFAD Handbook for Financial Reporting and Auditing of IFAD-financed projects (English)</i>	<a href="https://www.ifad.org/documents/38711624/39421009/IFAD+Handbook+for+Financial+Reporting+and+Auditing+of+IFAD-Financed+Projects/133b165d-15c7-4f79-8217-aef95b79dd67">https://www.ifad.org/documents/38711624/39421009/IFAD+Handbook+for+Financial+Reporting+and+Auditing+of+IFAD-Financed+Projects/133b165d-15c7-4f79-8217-aef95b79dd67</a>
<i>IFAD Loan Disbursement Handbook</i>	<a href="https://www.ifad.org/web/guest/document-detail/asset/39635782">https://www.ifad.org/web/guest/document-detail/asset/39635782</a>
<i>IFAD Financial Administration Manual</i>	<a href="https://www.ifad.org/web/guest/document-detail/asset/39637251">https://www.ifad.org/web/guest/document-detail/asset/39637251</a>
<i>IPSAS Cash Standard</i>	<a href="https://www.ifac.org/publications-resources/revised-cash-basis-ipsas">https://www.ifac.org/publications-resources/revised-cash-basis-ipsas</a>
<i>ICP page</i>	<a href="https://icp.ifad.org/">https://icp.ifad.org/</a>
<i>ICP support email</i>	<a href="mailto:icpsupport@ifad.org">icpsupport@ifad.org</a>

# ANNEXES

## Annex 1: AWPB Structure and preparation checklist

PROPEIXE is responsible for the development of the Annual Work Plan and Budget (AWPB), generally covering a period of 12 months, which should include the following mandatory sections:

Section	Description
<i>Introduction</i>	<ul style="list-style-type: none"> <li>Provide a brief background</li> <li>Include narrative covering the strategic focus, target group, geographical focus (sites), outreach (with gender disaggregation), Project components, specific activities undertaken and the planned output for each activity.</li> </ul>
<i>Risks and mitigation</i>	<ul style="list-style-type: none"> <li>Outline of major risks that could affect adversely the Project outcomes and mitigation taken.</li> </ul>
<i>Budget and financing plan</i>	<ul style="list-style-type: none"> <li>Describe the necessary inputs and outputs for each activity, including the expected financing source and expected completion date.</li> <li>The expenditures should be classified per activity and should also be linked to a cost expenditure category as per the financing agreement and a financing source.</li> <li>Each activity should be coupled with tangible outputs or physical targets to facilitate measurement of Project progress.</li> </ul>
<i>Procurement plan</i>	<ul style="list-style-type: none"> <li>Outline detailed plan outlining procurement activities, include expected cost for each procurement method and timeline.</li> <li><u>The first Procurement plan should cover the first 18 months of the Project lifecycle. Subsequent procurement plans should cover 12 months of the Project lifecycle.</u></li> </ul>
<i>Progress and past performance (include in 2nd AWPB onwards)</i>	<p>Outline the following with:</p> <ul style="list-style-type: none"> <li>Summary of the key achievements</li> <li>Problems encountered and how these were resolved</li> <li>Budget execution, comparing actual expenditure per category/component to prior period, and an indication of category overspend</li> </ul>
<i>Other</i>	<ul style="list-style-type: none"> <li>Training and technical assistance schedule</li> <li>PCU staff development plan</li> <li>Project staff payroll (including the names, titles, salaries and incentives)</li> </ul>



<ul style="list-style-type: none"> <li>• <b>AWPB Check:</b> The checks listed below are designed to improve the quality of the AWPB during the final preparation stage.</li> </ul>		<ul style="list-style-type: none"> <li>• <b>Yes</b></li> </ul>
<ul style="list-style-type: none"> <li>• Is the AWPB complete and clearly presented? Does it disclose sufficient information?</li> </ul>	<ul style="list-style-type: none"> <li>•</li> </ul>	
<ul style="list-style-type: none"> <li>• Is the AWPB in line with the Project description and rational (schedule 1) as per the financing agreement and the Project log-frame? Are all the activities relevant to the Project?</li> </ul>	<ul style="list-style-type: none"> <li>•</li> </ul>	
<ul style="list-style-type: none"> <li>• Does it contain the necessary summary tables by component and financier and by expenditure category and financier as well as the detailed tables by component?</li> </ul>	<ul style="list-style-type: none"> <li>•</li> </ul>	
<ul style="list-style-type: none"> <li>• Does the implementation schedule seem realistic and does it show appropriate targets and milestones? Are the targets and execution level realistic compared to past years progress?</li> </ul>	<ul style="list-style-type: none"> <li>•</li> </ul>	

<ul style="list-style-type: none"> <li>• Does it contain a separate annex disclosing the details of the Project payroll?</li> </ul>	<ul style="list-style-type: none"> <li>•</li> </ul>	
<ul style="list-style-type: none"> <li>• Does it contain a separate annex containing outlining the planned trainings?</li> </ul>	<ul style="list-style-type: none"> <li>•</li> </ul>	
<ul style="list-style-type: none"> <li>• In the detailed tables are the expenditures structured by activity and linked to a component, expenditure category and financing source?</li> </ul>	<ul style="list-style-type: none"> <li>•</li> </ul>	
<ul style="list-style-type: none"> <li>• Are the cost categories of the AWPB in line with the Schedule 2 of the IFAD financing agreements and are expenditures within the agreed allocations?</li> </ul>	<ul style="list-style-type: none"> <li>•</li> </ul>	
<ul style="list-style-type: none"> <li>• Is any expenditure category going to be overdrawn during the year? Is a reallocation of IFAD funds needed?</li> </ul>	<ul style="list-style-type: none"> <li>•</li> </ul>	

<ul style="list-style-type: none"> <li>• Does the total (and subtotal) costs add up? Are the inputs (unit cost) and outputs (physical targets) adequately quantified? Is there coherence between the inputs and outputs? And does these represent value for money (i.e. what is the unit costs for per output, e.g. cost per trained farmer)?</li> </ul>	<ul style="list-style-type: none"> <li>•</li> </ul>	
<ul style="list-style-type: none"> <li>• Are the unit cost are realistic and do they reflect market prices?</li> </ul>	<ul style="list-style-type: none"> <li>•</li> </ul>	
<ul style="list-style-type: none"> <li>• Is the AWPB accompanied by a procurement plan? Is the procurement plan consistent with the AWPB?</li> </ul>	<ul style="list-style-type: none"> <li>•</li> </ul>	
<ul style="list-style-type: none"> <li>• Is the format of the AWPB compatible with other financial reports and the accounting software to allow input in the budget module and generation of actual vs. budget reports and</li> </ul>	<ul style="list-style-type: none"> <li>•</li> </ul>	

<ul style="list-style-type: none"><li>• If last audit, does it take into account completion date of the Project as well as winding up activities such as Project completion report, final audit as handover/disposal of Project assets (computers, vehicles etc.),</li><li>•</li></ul>	<ul style="list-style-type: none"><li>•</li></ul>	
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## 5.11 Annex 2: Information checklist – preparing for IFAD missions

It is required that PROPEIXE prepare the following in anticipation of IFAD missions:

	Information	Guidance
1.	<i>Appendix 1</i>	<ul style="list-style-type: none"> <li>Prepare Appendix 1 in Excel Workbook and include formulae as appropriate.</li> </ul>
2.	<i>FMAQ</i>	<ul style="list-style-type: none"> <li>Include comments in the Financial Management Assessment Questionnaire (with exception of the summary section).</li> </ul>
3.	<i>Withdrawal applications/ IFRs</i>	<ul style="list-style-type: none"> <li>Make hardcopy files of all recent withdrawal applications/Interim Financial Reports available (covering the period since the previous mission). Upon request, provide supporting documentation for a selection of expenditures.</li> <li>Provide copy of most recent audited financial statement.</li> </ul>
4.	<i>Bank and petty cash reconciliations</i>	<ul style="list-style-type: none"> <li>Make hardcopy files of most recent bank and petty cash reconciliations available. Include copies of relevant bank statements. Ensure that IFAD designated account reconciliations are prepared in the correct format as outlined in the IFAD Loan Disbursement Handbook.</li> </ul>
6.	<i>Fixed asset register</i>	<ul style="list-style-type: none"> <li>Provide updated fixed asset register in Excel Workbook format (export from accounting software).</li> </ul>
7.	<i>Manuals and procedures</i>	<ul style="list-style-type: none"> <li>Provide an electronic of the most recent version of the Financial Manual (to which IFAD provide a no objection).</li> <li>Provide a copy of the accounting software manual (if available).</li> </ul>
8.	<i>Contract register and monitoring forms</i>	<ul style="list-style-type: none"> <li>Make available the update Contract Register and Contract Monitoring Forms (export from ICP).</li> </ul>
9.	<i>Action tracker</i>	<ul style="list-style-type: none"> <li>Update the action tracker with progress to date on all outstanding agreed actions/recommendations from previous review missions/audits.</li> </ul>
10.	<i>AWPB/Procurement Plan</i>	<ul style="list-style-type: none"> <li>Make available electronic copies of the AWPB and Procurement Plan (provide in Excel Workbook format).</li> </ul>
11.	<i>Advances</i>	<ul style="list-style-type: none"> <li>Make available a summary of outstanding advances with supporting documentation.</li> </ul>

## **Annex 3: Terms of Reference of the Finance Team**

### **Finance Manager**

#### **Objective**

The Finance Manager (FM) will be responsible for: managing and coordinating the overall Financial Management activities of the Project in strict compliance with the requirements of the Financing Agreement between the Government of Mozambique and IFAD; the Project Financial Management Manual (FMM) and appropriate financial management best practice. He/she will provide all possible support to the Project Coordinating Unit (PCU) of which he/she is a member, in order to ensure successful implementation.

#### **Reporting**

The FM will report to the Project Coordinator (PC) and will be responsible to the PC and IDEPA for the proper performance of the duties. The Finance Manager shall report to the Project Coordinator on all matters related to Financial Management of Project implementation, ensure compliance with the FM requirements of Article IX of IFAD's General Conditions for Agricultural Development Financing (2014) (GC) and as per these TOR, endorse and submit all reports to the Project Coordinator, the NPSC, IDEPA , IFAD as required.

#### **Qualification and Experience**

- A university degree in Accounting.
- At least three years of proven experience in:
- Projects financed by external donors at a management position;
- Preparing balance sheets according to Government of Mozambique guidelines and international Standards;
- Preparing withdrawal applications for external funding agencies;
- Liaising with the Ministry of Finance for replenishment of project accounts from external funding and
- for making payments to suppliers, service providers and staff;
- Planning and presenting financial needs according to Government of Mozambique budgetary cycle
- and procedures based on activities planned;
- Working in rural development projects, particularly involving rural organizations and groups.

#### **Desirable Skills and Personal Qualities**

- Experience with IFAD or WB financed projects;
- A solid understanding of GoM accounting practices and systems;
- A practical understanding of external source financing procedures;
- Leadership skills and ability to operate effectively in a team and contributing positively to working relationships;
- Willingness to work outside of formal working hours and days;
- Willingness to link with service providers to verify the use of standard accounting practices in reporting.

## Position Responsibilities

The Finance Manager's specific responsibilities include:

- Implement and update the financial management procedures applying to Project receipts and payments, and ensure that the funds are used for the purposes intended, in an open and transparent manner;
- Ensure that the Project Coordinator (PC) is aware of risks arising from any weaknesses in the internal control system, and take steps to minimize the risks.
- Ensure that all financial documents relating to the Project (expenses, and all other ledger transactions, registers, payroll records including benefits, contributions and tax deductions, invoices and all vouchers) are retained by the PCU and are made available for inspection by IDEPA, external auditors and IFAD supervision mission teams.
- The implementation and maintenance of the e-SISTAFE accounting system and ensuring that the chart of accounts and reporting system thereof will provide information linkages between the Project activities by category, component and funding source.
- Managing and administering all payments for contracts, MOUs of Implementing Partners and grant beneficiary goods' proposed payments in accordance with the IFAD Guidelines, Grant Selection Committees, NPSC deliberations and any other applicable national Guidelines.
- Maintenance and regular update of the following: Fixed Assets, Staff, Grant Beneficiary, MoU and Contract Registers. Conduct an inventory of Project assets at quarterly intervals and ensure insurance coverage thereof.
- In close collaboration with the Monitoring and Evaluation Officer, assists the Project Coordinator with the preparation, monitoring, consolidation and review of the PROPEIXE's Annual Work Plan and Budget, as follows:
  - (i) Provide training and guidance to Project beneficiaries and Implementing partners for AWPB activity submissions and participate in the development and implementation of plans, and procedures for budget request submission activities to ensure that Project objectives are achieved in compliance with PROPEIXE strategy and that informed
  - (ii) decisions are taken;
  - (iii) Consolidation of budget plans and activities after review for consistency; provide advice to the Project Coordinator on optimised use of resources;
  - (iv) Calculate the cost of services analyses; translating activity requirements into financial information for NPSC review and guidance, identify the problematic areas and propose the actions to be taken to improve the cost-efficiency of the services, without affecting the quality;
  - (v) Monitor and provide advice on advance financing to implementing partners, monitor and analyses activities undertaken by these in accordance with AWPB;
  - (vi) Review and propose alternative financial solutions to the Project Coordinator and NPSC to facilitate the transparent and efficient allocation of resources for the activities of the Project;
  - (vii) Prepare monthly projected liquidity flow statements, analyses;
  - (viii) Reconcile and review expense statements for Withdrawal Application requests to IFAD every quarter;
  - (ix) Review insurance coverage of assets during implementation/construction;
  - (x) Review all payroll and relevant worksheets, payments to suppliers, utilities, contractors, Grant related payments , service providers and implementing partners prepared by the accountant;



(xi) Prepare interim and annual financial statements for management, IFAD and liaise with the external auditors and internal audit department of MIMAIP.

- The Finance Manager will supervise the Accountant and organize appropriate training /career
- development plan /guidance to ensure successful attainment of tasks assigned.
- The incumbent is expected to visit Project areas periodically as part of monitoring of the activities.
- Perform any other Financial Management duties that may be assigned by the PC.

### **Qualifications and Experience**

The Finance Manager should satisfy the following qualifications and criteria:

- Higher education in accounting and finances;
- Broad experience of budgeting, accounting and reporting procedures of IFAD or similar finding institutions or donors;
- Hands-on experience of setting up and running a project financial management and accounting information system in accordance with best international practice;
- Complete, practice-based command of double-entry bookkeeping;
- Ability to present financial information in a clear, concise manner and in formats suitable for non-specialists;
- Fluency in Portuguese and English;
- Experience in training staff of local counterparts and subcontractors in disbursement procedures and in accounting theory and practice;
- Computer literate; familiarity with Windows-based programs such as Word and Excel, PowerPoint, e-SISTAFE system and other MIS.

## 5.12 Accountant

**Objective:** Supports the Finance Manager to ensure achievement of result oriented outcomes in PROPEIXE Financial management

**Output:** Financial management, accounting and financial reporting of PROPEIXE

**Reports to:** The Accounts Assistant is part of the Finance team and will, under the supervision of the Programme Accountant, take responsibility for all accounts and finance transactions under the PROPEIXE and for maintaining all accounting documentation in good order.

### Activities

1. Specific responsibilities include but are not limited to the following:
  - a) Support in the preparation of Annual Work Plan and Budget (AWPB)
  - b) Analysing payment requests and reconciliation with approved documentation including purchase orders and contracts
  - c) Posting payment invoices into financial management systems in line with approved work plans.
  - d) Assist in preparation of half-yearly consolidated statements of project accounts
  - e) Ensure that fixed assets are well accounted for and regular verification is undertaken of the condition of assets and their location.
  - f) Ensure that supporting documents, records and accounts are kept in respect of all project activities, with clear linkages between the books of account and the financial statements presented to the financiers;
  - g) Preparation of bank reconciliations for the project accounts.
  - h) Assisting in review of invoices and supporting documents before any payments are processed.
  - i) Following up on outstanding advances both to staff and service providers.
  - j) Assisting in ensuring budgetary controls to ensure that no payment is done unless there is sufficient budgetary provision.
  - k) Ensuring systematic and accurate recording/filing of accounting records.
  - l) Prepare the IFRs's and the WA Application to IFAD for timely submission to IFAD, including submission of justification and request for advance WAs.
  - m) Participating in the Audit exercises providing auditors will all information and documentation they require
  - n) Follows up accountabilities of funds advanced at the level Provincial Directorate and with other implementing partners.
  - o) Ensure systematic and accurate recording/filing of accounts records.
  - p) Ensure that salary and tax deductions are remitted in timely way and that all acknowledgement of receipt is documented.
  - q) Withholding Tax is recovered from payments, remitted and Tax Certificates are issued to suppliers.
  - r) Any other duties as may be assigned by the Programme Accountant.

### *Qualifications and experience.*

The candidate should have a Bachelor's degree in business or finance, and an affiliate professional accountant. Other qualifications include:

- a) At least 5 years of relevant work experience, including at least three as a finance manager or accountant in government/donor projects or large institutions.
- b) Knowledge of work planning, budgeting and reporting.
- c) Excellent quantitative and analytical skills.
- d) Computer-literate and well-versed in the use of Excel, Word and financial software.

## Annex 4: Sample templates for Monthly Report for Management Use

- *Designated account Reconciliation form*

<b>Designated Account Reconciliation Statement</b>	
Designated Account No:	
Bank Name:	
1. Total Advanced by IFAD	USD _____
2. Less total amount recovered by IFAD	USD _____
3. Equals present outstanding amount advanced to the designated account (line 1 less line 2)	USD _____
<hr/>	
4. Balance of designated account per attached bank statements as of (Date: day/month/year)	USD _____
5. Plus balance of the project account(s) (listed separately)	USD _____
Plus balance of sub accounts (listed separately)	USD _____
Plus balance of Cash in Hand	USD _____
Total of Bank Balances (designated A/C, PA, SUB accounts & cash in hand balance) (line 4+line 5)	USD _____
6. Plus total amount claimed in this WA no.	USD _____

7. Plus total amount withdrawn from the designated/PA/Grant account and not yet claimed for replenishment) or WAs pending submission USD

8. Plus amounts claimed in previous applications but not yet created at the date of bank statement and/or claimed after date of bank statement USD

<u>Application No.</u>	<u>Date</u>	<u>USD</u>	<u>Amount</u>
		\$	
		\$	
		\$	

9. Minus Interest earned (to be completed. If zero, please enter zero) USD

10. Total Advance accounted for (line 5 through line 9) USD

11. Explanation of any difference between the totals appearing in Lines 3 and 10 USD

e.g. Non eligible amount to be refunded to the designated account USD

e.g. calculation errors in application of percentage financing USD

e.g. counterpart financial resources to be reimbursed USD

e.g. cheques not yet cleared/presented to Bank USD

12 DATE \_\_\_\_\_

SIGNATURE

Name in full

Title in Full

- *Petty Cash Reconciliation Form*

**Project** \_\_\_\_\_ **Date of reconciliation** \_\_\_\_\_

**Part i. Petty cash reconciliation**

Petty cash balance brought forward (a) \_\_\_\_\_

Replenishments during the current month (b) \_\_\_\_\_

Total petty cash balance (c = a + b) \_\_\_\_\_

Disbursements during the current month (d) \_\_\_\_\_

Petty cash book balance (e = c - d) \_\_\_\_\_

Cash count balance (f) – see part ii. below \_\_\_\_\_

Difference (G = E - F) \_\_\_\_\_

**Explanation Of Difference**

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- *Monthly fuel Consumption report*

**Project Name:**

**Lead Project Agency: MIMAIP**

**Reporting period:**

<b>Monthly fuel Consumption report as at DD/MM/YYYY</b>						
Vehicle	Location	Quantity (liters)	Cost (reporting period in USD)	Annual Planned (USD)	Cumulative Cost (annual in USD)	Variance (%)
Total						



5.13 **Annex 5: Illustrative Financial Statements**

**[PROJECT NAME]**  
**ANNUAL FINANCIAL STATEMENTS**  
**FOR THE 12 MONTH PERIOD ENDING xxx**

[THIS ILLUSTRATION IS BASED ON A NEW PROJECT. FOR EXISTING PROJECT, DISCLOSE PRIOR PERIOD COMPARATIVE INFORMATION AND CUMULATIVE INFORMATION ON S&U STATEMENT]

**Table of content:**

1. Background
2. Management Statement
3. Audit report
4. Statement of Cash Receipts and Payments
5. Budget to Actual Comparison
6. Accounting policies
7. Notes to the financial statements
8. Designated account statement
9. Designated account reconciliation
10. Withdrawal application summary
11. Fixed asset register
12. Action tracker (supplementary)

**Background**

*Insert Project background information*

- *Indicate Project start date*
- *Indicate reporting lines*
- *Provide overview of categories and components and indicate responsible implementing agencies*
- *Provide description of Project activities*
- *Status update*
- *Indicate the relevant legislation governing the Project activities*
- *Overview of financing facilities – see table below:*

<b>Source of funds</b>	<b>IFAD Grant</b>	<b>IFAD Loan</b>	<b>OFID/GEF Loan</b>
<i>Facility/agreement number</i>			
<i>Amount approved (indicate currency)</i>			
<i>Undrawn balance at period end</i>			
<i>If applicable, interest rates and repayment periods</i>			
<i>Restrictions on use of funds (e.g. designated account workings, authorised allocation)</i>			



## **Management Statement**

*Insert management responsibility statement*

## **Audit report (illustrative only)**

### **Independent Auditor's report (Provided on Auditor letterhead)**

Report on the Audit of the Financial Statements

#### ***Opinion***

We have audited the financial statements of Artisanal Fisheries Resilient Development Project (PROPEIXE) funded by the International Fund for Agricultural Development (loan xxx and grant xxx) and [state any other co-financier]. The financial statements comprise of the Statement of Cash Receipts and Payments, Budget to Actual Comparison, accounting policies and explanatory notes.

In our opinion, the accompanying financial statements of PROPEIXE give a true and fair view of the Financial performance and cash flows for the year then ended in accordance with *IPSAS Financial Reporting Under the Cash Basis of Accounting*.

#### ***Basis for Opinion (refer to ISA705 for modifications)***

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Project in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA code) together with the ethical requirements that are relevant to our audit of the financial statements in Mozambique, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### ***Key audit matter***

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon. We do not provide a separate opinion on these matters.

***[insert matters if applicable]***

### ***Other information***

The Project Steering Committee is responsible for the other information. The other information comprises the [xxxx]. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### ***Responsibilities of Management and Those Charged with Governance for the Financial Statements***

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IPSAS and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. Those charged with governance are responsible for overseeing the project's financial reporting process.

### ***Auditors' Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and

maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements. Whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the project's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were or most significance in the audit or the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### ***Public disclosure***

This report has been prepared on request of the project, the International Fund for Agricultural Development, however, the report is a matter of public record and its distribution is not limited.

The engagement partner on the audit resulting in this independent auditors' report is xxx from xxxx audit firm.

## **Independent Assurance Report prepared for IFAD (provided on auditor letterhead)**

This report represents the results and conclusions of the independent assurance engagement undertaken on behalf of IFAD.

### ***Background***

[Summarise details of financiers, facilities and amounts of funding provided for the period under review and committed in total to the project]

### ***Audit Objectives and Scope***

An assurance engagement was undertaken in line *ISAE 3000 Assurance Engagements other than audits or reviews of historical financial formation* in order to provide a report to the International Fund of Agricultural Development on the following:

1. Whether the expenditures, reported by the project are in eligible in terms of the financing agreement with the International Fund of Agricultural Development.
2. Whether the project has adhered to other terms and conditions of the IFAD Financing agreement / Letter to the Borrower/Recipient and other financial management related requirements related to maintenance of the designated account records.
3. Whether the IFAD specific disclosures are accurate and complete and agree to IFAD financial records (statements etc.).

The financial information outlined in pages xxx to xxx was the subject of this assurance engagement.

### ***Summary of work performed***

The following specific work was performed in order to address the scope of work:

#### **Preparatory**

- Review financing agreements and related amendments to determine key financing terms and conditions application to the project.
- Review the Letter to the Borrower and related amendments to determine key financing terms and conditions applicable to the project.
- Obtain IFAD financial information related to the project from the IFAD finance officer, as may be appropriate and required.

#### **Designated account statement(s) (page xxx)**

- Confirm/agree that opening and closing bank balances (in USD and Meticals) disclosed on the designated account statement(s) agree to the bank account statement and that such balances reconcile with disclosures in the notes the financial statements.

- Recalculate the closing balance of the designated account statement (in USD and Meticals).
- Confirm/agree that the dollar denominated amounts disclosed have been accounted for in USD at the historical exchange rate, in line with the procedure as outlined in the IFAD Financial Administration Manual (available on IFAD website).
- Recalculate the foreign exchange gain / loss as included in the designated account statement and agree to the amount disclosed in the Statement of Cash Receipts and Payments.
- Agree replenishments / transfers and direct payments to the bank account statement and IFAD historical transaction information.
- Confirm amounts disclosed for withdrawal applications agree to the information disclosed on the withdrawal application summary.

#### Designated account reconciliation(s) (page xxx)

- Confirm the accuracy of the reconciliation.
- Confirm that the designated account has been managed in line with the provisions of the financing agreement / Letter to the Borrower.
- If applicable, review and determine the reasonability of the explanation for variance as disclosed on the designated account reconciliation.
- Agree disclosed amounts to supporting documentation (bank statements / IFAD historical financial information).

#### Withdrawal application summary

- Determine whether goods and services have been purchased through the appropriate mechanism in line with the stipulated thresholds.
- Determine whether the expenditures claimed through IFR procedures were properly and appropriately authorized, classified and supported by audit documentation.
- Select a sample of withdrawal applications and confirm the accuracy of the disclosures to the underlying documentation submitted to IFAD.
- Test a sample of project expenditure transactions from the withdrawal applications and confirming eligibility of expenditure / adequacy of supporting documentation. Summarise all ineligible expenditures identified in the conclusions section.

#### Reconciliation of interim financial reports to the annual financial statements

- Review the expenditure reported in all four interim financial reports during the year covered by the financial statements.
- Confirm that the amount reported in the IFRs reconciles to the annual financial statements.

#### Fixed asset register (page xxx)

- Select a sample of fixed assets from the fixed asset register and confirm the accuracy and completeness of the information included in the fixed asset register.
- Select a sample of project assets from the floor and confirm that the asset is accurately recorded in the fixed asset register.

#### Other

- Confirm the degree of compliance with the recipient's procurement policy and identify non-compliance.

### ***Conclusions on procedures performed***

[Summarise findings of procedures]

***Management letter***

Other issues related to internal control weaknesses are included in the management letter issued on xxx.

[Signed by engagement partner]



**Financial Statements for  
For the Period Ending  
Statement of Cash Receipts and Payments  
'000 (thousands)**

**PROPEIXE  
31 December 20XX**

		Current period
		31 December 20XX
Months in period		12
Currency		USD
'000 (thousands)		
	<u>Notes</u>	
<b><u>TOTAL CASH RECEIPTS</u></b>		
Proceeds from external financiers:		
- IFAD Loan/Grant	2	-
- OFID Loan	3	-
- GEF	4	-
<b>Total receipts</b>		-
<b><u>TOTAL CASH PAYMENTS</u></b>		
Civil works		-
Goods and services		-
Consultancies		-
Training and workshops		-
Equipment and materials		-
Operations and maintenance		-
Credit and guarantee funds		-
Salaries and allowances		-
<b>Total payments</b>		-
<b>INCREASE/(DECREASE) IN CASH</b>		
		-
Unrealised gains/(losses)	5	-
<b>CASH AT THE BEGINNING OF THE YEAR</b>	6	-
<b>CASH AT THE END OF THE YEAR</b>	6	-

**Statement of Cash Receipts and Payments**

## **Budget to Actual Comparison**

*(Note: This disclosure is not mandatory in terms of IPSAS Cash given that the PROPEIXE budget is not publicly disclosed, however, IFAD requires this disclosure in terms of the*

Financial Statements for For the Period Ending Budget to Actual Comparison '000 (thousands)		PROPEIXE 31 December 20XX			
		Current period budget 31 December 20XX	Current period actual 31 December 20XX	Variance	%
Months in period		12	12		
Currency		USD	USD		
'000 (thousands)					
	<u>Notes</u>				
<b><u>CASH RECEIPTS BY FINANCIER</u></b>					
IFAD Loan				-	#DIV/0!
IFAD Grant				-	#DIV/0!
OFID Loan				-	#DIV/0!
GEF				-	#DIV/0!
Government of Mozambique - cash				-	#DIV/0!
Government of Mozambique - in-kind				-	#DIV/0!
Beneficiaries - cash				-	#DIV/0!
Beneficiaries - in-kind				-	#DIV/0!
<b>Total Receipts</b>					
<b><u>USES OF FUNDS (BY CATEGORY)</u></b>					
Civil works				-	#DIV/0!
Goods and services				-	#DIV/0!
Consultancies				-	#DIV/0!
Training and workshops				-	#DIV/0!
Equipment and materials				-	#DIV/0!
Operations and maintenance				-	#DIV/0!
Credit and guarantee funds				-	#DIV/0!
Salaries and allowances				-	#DIV/0!
<b>Total payments</b>					
<b><u>USES OF FUNDS (BY COMPONENT)</u></b>					
[Component 1]				-	#DIV/0!
[Component 2]				-	#DIV/0!
[Component 3]				-	#DIV/0!
<b>Total payments</b>					
<b><u>Explanation of variances</u></b>					
[Explain variances in the notes to the financial statements]					

*IFAD Handbook on Financial Reporting and Auditing of IFAD-Financed Projects)*

## **Accounting policies**

### **1. Definitions**

- *Designated account* – Ring-fenced, foreign denominated bank account which is maintained on behalf of the entity. The entity may receive replenishments from the direct account in line with the working as outlined in the IFAD Disbursement Handbook.
- *IFAD* – International Fund for Agricultural Development
- *Impress account* – An account which maintains a record of all cash advances made for staff or Project expenses which are either returned to the Project or justified by valid expenditure documentation.
- *Borrower* – The Borrower is the Government of Mozambique

### **2. Reporting entity**

The financial statements are for PROPEIXE. The Project is managed centrally by IDEPA and has operations in various provinces which are reported on as a single entity.

### **3. Reporting period**

These financial statements include a 12-month reporting period for the current and prior year with additional cumulative disclosure (from Project inception) provided in the notes where appropriate.

### **4. Basis of preparation**

The financial statements have been prepared in accordance with the Standard. The entity complies with all the requirements as outlined in Part 1 of the Standard and as described in the accounting policies. In addition, the entity has elected to adopt the following recommended disclosures in line with Part 2 of the Standard:

- Payments of Third Parties on behalf of the entity (*refer 16. Voluntary Disclosure*)

### **5. Authorisation date**

These financial statements have been authorised for issue by the Project Coordinator on [xxx]. No events after this date are included in the financial statements.

### **6. Presentation currency and level of precision**

The presentation currency is the local currency, Meticals. Where appropriate, the designated account balances are reported in USD. The amounts are displayed in million unless otherwise specified in the notes. Additional note disclosures may quote US Dollar amounts if loans or grants from financiers are denominated in US Dollar.

### **7. Comparative information**

It must be noted that, due to the first-time adoption of the Standard, comparative results presented for the period ending xxx (and cumulative results where applicable) was not prepared in line with the Standard. Where practical and material, adjustments have been made to align prior period (and cumulative results) with the IPSAS Financial Reporting under the Cash Basis of Accounting

### **8. Composition of the annual financial statement**

The financial statements comprise the Statement of Cash Receipts and Payments, the Budget to Actual Comparison and the notes. The notes include various other disclosures which are required by external financiers, including IFAD, which may enhance fair presentation and accountability. Additional, supplementary information is indicated as such.

### **9. Cash basis of accounting**

In terms of IPSAS Financial Reporting under the Cash Basis, the entity measures transactions and events only when cash is received or paid by the entity. The

measurement focus of the financial statements is balances of cash and changes therein. In terms of the Standard, cash may include cash on hand, demand deposits, impress accounts and cash equivalents. Cash equivalents are investments with a maturity of less than 3 months.

10. Control of cash

In line with the Standard, cash balances reported at the end of the reporting period include all cash which the entity can use or otherwise benefit from at the exclusion of other. Therefore, cash will include all IFAD designated account balances which are maintained in foreign currency (USD) to which access is restricted in line with the financing agreement entered into between the Recipient and IFAD.

11. Materiality and disclosure

The Project discloses material information separately on the face of the financial statements or in the notes. The materiality is assessed in line with the nature and amount of the item. In all instances, payments of third parties on behalf of the Project is considered material and disclosed separately. This will include payments made on behalf of the Project to third parties or received "in-kind". – refer "16. Voluntary disclosure"

12. Classification of transactions

Uses of cash receipts are disclosed in line with categories as defined in the Project financing agreements. Additional useful disclosures in terms of components are provided in the notes to the financial statements. Receipts of funds are disclosure based on the source of finance.

13. Foreign currency

Cash receipts and payments arising from transactions in foreign currency are incorporated in the financial statements Statement of Cash Receipts and Payments in Meticals by applying to the foreign currency amount the spot exchange rate between the reporting currency and foreign currency at the date of the receipts/payments. The spot rate is defined as the rate of exchange for immediate delivery.

Closing cash balances held in foreign currency are translated to Meticals at the spot rate on the last day of the reporting period. Resulting foreign gains / losses are reported as a reconciling item on the Statement of Cash Receipts and payments. Further information with regard to the gains/losses per financier is disclosed in the notes.

[COMMENT ON USE OF FIFO]

14. Additional note disclosures – accrual basis

The notes to the financial statements provide additional information about liabilities and assets which are not presented on the Statement of Cash Receipts and Payments or Budget to Actual Comparison. These may include contingent liabilities related to suppliers, advance payments from contractors, staff loan receivable and any other material items which will enhance the fair representation of the financial statements.

15. Voluntary adoption of Part 2 of the Standard – Payments made to 3<sup>rd</sup> parties on behalf of the Project

In line with Part 2 of the Standard, the Project shall disclose payments made on its behalf to 3<sup>rd</sup> parties. For the Project, this disclosure deals specifically with payments made by the Recipient/beneficiaries for items such as salaries and xxx. Additional note disclosure is provided which outlines the total of such amounts for the period, the nature of activities paid for and the manner in which management has arrived at a value for such payments. In the event that management is of the opinion that the

estimation or value may not be fully reflective of the total value received, this will be indicated in the notes.

1	<b>Cash and cash equivalents:</b>		
	Cash included in the Statement of Cash Receipts and Payments comprise the following amounts:		
		31 December 20XX	31 December 20XX
		MZN	USD
	<i>Exchange rate</i>		
	<b>Bank balances per financier:</b>		
	IFAD Loan		
	IFAD Grant		
	OFID Loan		
	GEF		
	<b>Total</b>	-	-
	<b>Bank balances per type of account:</b>		
	IFAD Loan designated account		
	IFAD Grant designated account		
	OFID Loan designated account		
	GEF designated account		
	IFAD Loan CUT Forex		
	IFAD Grant CUT Forex		
	OFID Loan CUT Forex		
	GEF CUT Forex		
	IFAD Loan CUT Operational Account		
	IFAD Grant CUT Operational Account		
	OFID Loan CUT Operational Account		
	GEF CUT Operational Account		
	Cash on hand		
	<b>Total</b>	-	-

**Notes to the financial statements**

2	<b><u>Proceeds from external financiers</u></b>		
	The following external source of finance were received during the period:		
		<b>31 December 20XX</b>	
	IFAD Loan	-	
	IFAD Grant	-	
	OFID Loan	-	
	GEF	-	
	<b>Total</b>	<b>-</b>	
3	<b><u>In-kind contributions</u></b>		
	The following in-kind contributions were received during the period:		
		<b>31 December 20XX</b>	
		<b>Government of Mozambique</b>	<b>Beneficiaries</b>
	Amount recognised		
	<b><u>Uses of funds</u></b>		
	Civil works		
	Goods and services		
	Consultancies		
	Training and workshops		
	Equipment and materials		
	Operations and maintenance		
	Credit and guarantee funds		
	Salaries and allowances		
	<b>Total</b>	<b>-</b>	<b>-</b>
	Explain the basis for measuring the value recognised. Provide the nature of the contribution. Indicate the uses of funds by category.		





Financial statements for		31 December 2022	
For the period ending			
Designated account reconciliation			
<b>TABLE 5.1: IFAD LOAN DESIGNATED ACCOUNT RECONCILIATION</b>			
IFAD Financing agreement nr:			
Bank account nr:			
<b>SECTION 1</b>			
1	Total advanced by IFAD to designated account		
2	Less Total amount recovered by IFAD		
3	= Outstanding amount advanced by IFAD		-
<b>SECTION 2</b>			
4	Balance of designated account as per bank statement		
5	Plus balance of operating accounts		
	Plus cash on hand		
	= Period end cash balance		-
6	Plus amount claimed for the period		-
<i>Provide reasons - not yet claimed</i>			
8	Plus amounts claimed in period not yet credited at date of bank statement and claimed after date of bank statement		-
9	Less: interest earned		
10	= Total advance accounted for		-
11	<i>Explanation of difference between outstanding advance (line 3) and advance accounted for (line 10)</i>		-
	<i>Insert explanations</i>		

**Designated account reconciliations**



Financial statements for  
 For the interim period ending 31 December 2022  
 Withdrawal application statement  
 '000 (thousands)

TABLE 6.1: WITHDRAWAL APPLICATION STATEMENT - IFAD LOAN

Withdrawal application number	IA	Date	1	2	3	4	5	6	7	8	9	10	Total local currency	Designated account currency equivalent	Value date (transfer to project)	Rejected by IFAD / Recovery in closing period	Net reimbursed	Net reimbursed	Value date exchange rate	
COM													USD	USD	USD	Loan currency				
Section A: Payment method - Replenishment																				
Approved withdrawals																				
	(APIL/ARIS)												-			-				
	(APIL/ARIS)												-			-				
	(APIL/ARIS)												-			-				
Total			-	-	-	-	-	-	-	-	-	-	-	-		-	-	-		
Category key:																				
Civils works																				
Goods and services																				
Consultancies																				
Training and workshops																				
Equipments and materials																				
Operations and maintenance																				
Grants																				
Credit, guarantee funds																				
Recurrent costs - salaries and																				
Recurrent costs - operations and																				

**Withdrawal application summary**



Financial statements for For the period ending 31 December 2022 Action tracker						
<b>TABLE 7: ACTION TRACKER</b>						
#	Audit or IFAD	Requirements/recommendations/actions	Responsible person	Responsible Implementing Agency	Current status	Deadline

**Action tracker (supplementary)**

## **5.14 Annex 6: Implementing agencies – MOU terms**

PROPEIXE will enter into MOUs with other implementing agencies. The following recommended financial management roles and responsibilities are proposed for inclusion:

### **PROPEIXE shall:**

- ✓ Provide financial management support to the implementing agency;
- ✓ Ensure that implementing agency performs its duties and enjoys rights indicated in the Memorandum.
- ✓ Provide financial management training at project start-up and annually thereafter in order to strengthen the financial management capacity of the implementing agency.

### **The implementing agency shall:**

- ✓ Implement sound financial management practices and procedures to the satisfaction of the PROPEIXE.
- ✓ Ensure that all financial management staff responsible for dealing with the PROPEIXE project attend financial management training (hosted by IDEPA) at project start-up and annually thereafter.
- ✓ Ensure that a qualified and experienced accountant is responsible for dealing with the financial management aspects of the PROPEIXE project for the duration of the MOU.
- ✓ Inform the PROPEIXE Finance Manager of any finance staff vacancies.
- ✓ Perform an annual financial management self-assessment (questionnaire template to be provided) and submit the results to the PROPEIXE Finance Manager. Cooperate with the PROPEIXE Finance Manager to address identified shortcomings within a specified timeframe.
- ✓ Assist the PROPEIXE with the annual budgeting process by preparing a budget for the component/sub-component which it is required to implement. For this purpose, the PROPEIXE Finance Manager will provide a budget template which should be used. In addition, strictly adhere to deadlines for submission of inputs.
- ✓ Retain all project related document (invoices, bank statements, supporting documentation) for inspection. Documents should be retained in line with the terms and conditions as outlined in the IFAD General Conditions for Agricultural Development Financing.
- ✓ When required, submit written request for funds in line with template provided by PROPEIXE. Written requests should be signed by the duly authorized representatives. Request letters should clearly indicate the related budget activity as included in the PROPEIXE approved AWPB (and related procurement plan).
- ✓ Prepare and submit a monthly report for IFAD in line with the template provided by PROPEIXE. Attach copies of bank statements and supporting invoices/documents to the monthly report.
- ✓ Use the monthly report to IFAD for the purposes of internal monitoring of budget to actual performance. Take corrective action as required.
- ✓ Respond to queries / resubmit information as requested by the PROPEIXE Accountant or Finance Manager in a timely manner.

## **5.15 Annex 7: Sample Terms of Reference for the Audit of PROPEIXE**

### **1. Background**

[Include the project background: funding, components and sub-components.]

### **2. Objective**

The objective of this audit is to enable the auditor to conduct financial audits of PROPEIXE, in order to express an opinion on whether the financial statements of the IFAD loan and grant present fairly, in all material respects, the financial position of the Project for the year ended 31 December 20XX. In addition, express an opinion on whether the results of its operations and its cash flows for the respective years, are in conformity with the International Public Sector Accounting Standards (IPSASs) Financial Reporting under the Cash Basis of Accounting standard and the Financing Agreement between the International Fund for Agricultural Development (IFAD) and the Government of the Republic of Mozambique.

### **3. Responsibilities of the Borrower/ Recipient**

#### **3.1 General**

The Programme Management Unit shall:

- Provide financial statements for the activities financed by the loan and grants that are reconcilable to its records and accounts.
- Provide the auditor with access to all legal documents and correspondence with consultants, contractors and other persons or firms engaged by PROPEIXE, and any other information associated with the project and deemed necessary by the auditor.
- Ensure that the accounting policies are consistently applied and disclosed.
- Ensure that appropriate internal controls are implemented to prevent misstatements and susceptibility to fraud.
- Ensure compliance with all relevant laws and regulations that pertain to the entity, as well as with the financing agreement between the Government of Mozambique and IFAD.
- Provide the financial statements to the auditor within a reasonable time and be available for any queries that the auditor may have.
- The client will provide the consultant an office/room for functioning during the work.

#### **3.2 Financial Statements**

The National Programme Management Unit shall prepare financial statements covering the reporting period 01 January 20XX to 31 December 20XX in accordance with IPSAS "Financial Reporting under the Cash Basis of Accounting" standards.

In addition, the following specific disclosures will be included in the financial statements:

- Withdrawal application statement– appendix 1 to the IFAD Handbook on Financial Reporting and Auditing of IFAD-financed Projects;
- Reconciliation statement between the Interim Financial Statements and annual financial statements.
- Designated Account statement and reconciliation – appendix 3(a) and 3(b) to the IFAD Handbook on Financial Reporting and Auditing of IFAD-financed Projects;

## 4. Responsibilities of the auditor

### 4.1 Auditing standards

The auditor is responsible for the formulation of an opinion on the financial statements in accordance with International Standards on Audit (ISA).

### 4.2 General Principles

By agreeing to these terms, the auditor confirms that:

- The firm is independent from the project, its staff and activities, in accordance with international best practices.
- The firm is not providing consultancy services to the project or preparing its project financial statements (nor has it done so in the previous two years).
- The auditor is suitably qualified and a member of a professional body affiliated with the International Federation of Accountants.
- The auditor is able to conduct the audit in line with auditing standards acceptable to IFAD.
- The firm can assign an audit team to the audit that has the necessary competence and skills.
- The firm has a proven track record in conducting audits of a similar nature and complexity.

### 4.3 Management letter

The management letter is an integral part of the audit package that documents accounting and internal control issues identified by the auditors. The management letter should:

- Outline the auditor's recommendations to improve identified accounting and internal control issues;
- Include the responses of project management to the identified control issues, and its proposal to address the issues identified within a specific time period.
- Follow up on the issues identified in the previous year's (when applicable) management letter.

### 4.4 Reporting / Reports and Schedule of Deliverables

The Auditor is required to deliver an audit package that includes:

- The audited financial statements, including additional disclosures as outlined in paragraph 3.2;
- An audit opinion on the financial statements, within the scope as outlined in paragraph 5;
- A report on factual findings, within the scope of agreed-upon procedures as outlined in paragraph 6. Any ineligible expenditure identified should be clearly mentioned.
- A management letter, including the information outlined in paragraph 4.3;

The audit report should provide sufficient detail as to the nature and extent of the procedures performed by the auditor. The auditor is required to provide the audit package by no later than 10 June of every year. Reports are to be delivered in English and Portuguese.

## 5. Scope of the financial audit



In performing the audit, at a minimum the auditor shall:

- Obtain an understanding of the internal controls related to the financial reporting process, to identify and assess any weakness in internal control that might result in misstatements, whether due to fraud or to error;
- Design and conduct audit procedures in response to any weaknesses identified in the internal controls relating to the financial reporting process, to obtain audit evidence that the financial statements are fairly presented and free from material misstatements, in accordance with the applicable accounting framework;
- Verify whether expenditure that was incurred in the name of the project is in line with the terms of the financing agreement(s) (appendix 1) and incurred for the purposes intended in this agreement. Both IFAD and third party funding should be taken into consideration;
- Review the reconciliation between all Interim Financial Reports (IFRs) covering the period 1 January to 31 December 20XX and the annual financial statements for the year ended 31 December 20XX.
- Verify that the amount of the in-kind contribution is reported according to the agreed accounting principles and the reported fair-market value for all in-kind contribution items is reasonable and correctly and fully disclosed in the financial statements;
- Verify that the inventory and fixed assets held by the entity exist, are complete, are properly accounted and are used for the project purposes;
- Note any weaknesses in the internal control environment and in the financial reporting process, and communicate those in the management letter.

## **6. Scope of the agreed upon procedures**

The auditor is required to perform the following specific procedures and report on factual findings as required in paragraph 4.4.

### **6.1. Withdrawal application statement**

The auditor is requested to obtain the individual Interim Financial Reports (IFRs) submitted to IFAD, on which basis withdrawal applications were made, and develop test procedures to:

- Determine whether the Designated Account currency equivalent was determined using the historical exchange rate of transfers to the operating account;
- Determine whether the funds requested through IFR procedures were properly and appropriately authorized, classified and supported by relevant documentation;
- Determine if expenditures incurred are related to the project description in accordance with the financing agreement;
- Determine whether the expenditures justified through IFRs were properly and appropriately authorized, classified and supported by audit documentation;
- Confirm alignment of allocation of project expenditure between the IFAD loan and IFAD grant with the financing agreement;
- Identify any ineligible expenditure;

### **6.2. Designated account statement**

The auditor is requested to review the activities of the designated account(s) associated with the project, including the initial advance, replenishments, interest that may accrue on the outstanding balances, and the year-end balances. The auditor is requested to develop test procedures to:

- Check the accuracy of the Designated Account reconciliation(s);
- Confirm that the Designated Account(s) have been maintained in accordance with the provisions of the financing agreement.

## **7. Location and Period of Execution**

The audit will take place at the offices of the PROPEIXE Project Coordination Unit, between XXX and XXX.

## **8. Project Coordination**

IDEPA/ PROPEIXE is the client for this assignment. Therefore, the consultant shall address all deliverables, requests, concerns, etc. to the PROPEIXE - UCP. The consultant shall directly work with the finance department of PROPEIXE. The work will last for 30 days, counting from the date of approval by the Administrative Court.

## **9. Services and facilities to be provided by client**

No facilities will be purchased on behalf of the entity as part of this service contract or transferred to the contractor at the end of this contract.

## **10. Services and facilities to be provided by the consultant**

The Consultant shall ensure the availability of resources to carry out the proposed task. The Consultant shall therefore have the means and equipment to survey and analyze the data under the task. The Consultant shall provide sufficient resources for completion of the assignment. This includes:

- (a) Own means of transport or rented.
- (b) Computers and softwares.
- (c) Camera, voice recorders and other tools for collecting data and information.
- (d) Office, printers, tonners and other.

## **11. Public disclosure**

IFAD promotes public disclosure of project financial information to enhance the level of transparency and accountability. IFAD will disclose project audit reports, as appropriate, in line with the Fund's disclosure policy. Management Letters issued by auditors are not subject to public disclosure by IFAD. In agreeing to the terms of reference, the auditor explicitly acknowledges IFAD's right to publicly disclose audit reports (audited financial statements and audit opinion) and will issue reports without a limitation of use clause.

To facilitate the public disclosure process, the auditor is requested to submit two separate files as follows:

- Audited financial statements , audit opinion and report on factual findings (the latter where applicable); and
- Management Letter.

## **Mozambique**

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### **Artisanal Fisheries Resilient Development Project**

### **Project Design Report**

### **Annex 9: Integrated Project Risk Matrix (IPRM)**

Mission Dates: 22 May – 09 June

Document Date: 25/10/2023

Project No. 2000004008

Report No. 6599-MZ

East and Southern Africa Division  
Programme Management Department



## Overall Summary

Risk Category / Subcategory	Inherent risk	Residual risk
<b>Country Context</b>	<b>High</b>	<b>Substantial</b>
<i>Political Commitment</i>	<i>Substantial</i>	<i>Substantial</i>
<i>Governance</i>	<i>High</i>	<i>Substantial</i>
<i>Macroeconomic</i>	<i>Substantial</i>	<i>Moderate</i>
<i>Fragility and Security</i>	<i>High</i>	<i>Substantial</i>
<b>Sector Strategies and Policies</b>	<b>Moderate</b>	<b>Moderate</b>
<i>Policy alignment</i>	<i>Moderate</i>	<i>Moderate</i>
<i>Policy Development and Implementation</i>	<i>Moderate</i>	<i>Low</i>
<b>Environment and Climate Context</b>	<b>Substantial</b>	<b>Moderate</b>
<i>Project vulnerability to environmental conditions</i>	<i>Substantial</i>	<i>Moderate</i>
<i>Project vulnerability to climate change impacts</i>	<i>Substantial</i>	<i>Moderate</i>
<b>Project Scope</b>	<b>Moderate</b>	<b>Moderate</b>
<i>Project Relevance</i>	<i>Moderate</i>	<i>Low</i>
<i>Technical Soundness</i>	<i>Moderate</i>	<i>Moderate</i>
<b>Institutional Capacity for Implementation and Sustainability</b>	<b>Substantial</b>	<b>Moderate</b>
<i>Implementation Arrangements</i>	<i>Substantial</i>	<i>Moderate</i>
<i>Monitoring and Evaluation Arrangements</i>	<i>Moderate</i>	<i>Low</i>
<b>Project Financial Management</b>	<b>Substantial</b>	<b>Substantial</b>
<i>Project Organization and Staffing</i>	<i>Substantial</i>	<i>Substantial</i>
<i>Project Budgeting</i>	<i>Substantial</i>	<i>Substantial</i>
<i>Project Funds Flow/Disbursement Arrangements</i>	<i>Substantial</i>	<i>Substantial</i>
<i>Project Internal Controls</i>	<i>Substantial</i>	<i>Substantial</i>
<i>Project Accounting and Financial Reporting</i>	<i>Substantial</i>	<i>Substantial</i>
<i>Project External Audit</i>	<i>Substantial</i>	<i>Substantial</i>
<b>Project Procurement</b>	<b>Substantial</b>	<b>Substantial</b>
<i>Legal and Regulatory Framework</i>	<i>High</i>	<i>High</i>
<i>Accountability and Transparency</i>	<i>High</i>	<i>High</i>
<i>Capability in Public Procurement</i>	<i>Moderate</i>	<i>Moderate</i>
<i>Public Procurement Processes</i>	<i>Moderate</i>	<i>Moderate</i>
<b>Environment, Social and Climate Impact</b>	<b>Moderate</b>	<b>Low</b>
<i>Biodiversity Conservation</i>	<i>Substantial</i>	<i>Moderate</i>
<i>Resource Efficiency and Pollution Prevention</i>	<i>Substantial</i>	<i>Moderate</i>
<i>Cultural Heritage</i>	<i>Moderate</i>	<i>Low</i>
<i>Indigenous People</i>	<i>Low</i>	<i>Low</i>
<i>Labour and Working Conditions</i>	<i>Moderate</i>	<i>Low</i>
<i>Community Health and Safety</i>	<i>Moderate</i>	<i>Low</i>
<i>Physical and Economic Resettlement</i>	<i>Low</i>	<i>Low</i>
<i>Greenhouse Gas Emissions</i>	<i>Low</i>	<i>Low</i>
<i>Vulnerability of target populations and ecosystems to climate variability and hazards</i>	<i>Low</i>	<i>Low</i>

<b>Risk Category / Subcategory</b>	<b>Inherent risk</b>	<b>Residual risk</b>
<b>Stakeholders</b>	<b>Moderate</b>	<b>Low</b>
<i>Stakeholder Engagement/Coordination</i>	<i>Moderate</i>	<i>Low</i>
<i>Stakeholder Grievances</i>	<i>Moderate</i>	<i>Low</i>
<b>Overall</b>	<b>Substantial</b>	<b>Moderate</b>

<b>Country Context</b>	<b>High</b>	<b>Substantial</b>
<b>Political Commitment</b>	<b>Substantial</b>	<b>Substantial</b>
<p><b>Risk:</b></p> <p>The risk that a country's political developments (i.e. upcoming elections in 2025, decentralization, changes in government, high political instability/turnover/uncertainty, changing political priorities) result in delays and/or in a reversal of key political decisions and commitments (including approval and implementation of laws and regulations, and timely counterpart funding) underpinning the success PROPEIXE implementation.</p> <p>In addition, despite the positive developments with the stabilization of the Northern Mozambique (affected by insurgency), with the support from SADC and Rwandan forces, there are potential risks for PROPEIXE in the affected areas, particularly with some districts being excluded from project implementation during some period and delays or inability in release of counterpart funding due to the permanent focus on the north.</p>	Substantial	Substantial
<p><b>Mitigations:</b></p> <p>The PROPEIXE project, will be implemented in 5 out the 10 provinces in the country including the northern part of the country which has a higher risk of unrest. The project will be implemented through a phased approach, starting with all other provinces and in secured districts of Cabo Delgado (aligned with UNDSS recommendations).</p> <p>The IFAD country team will seek continued engagement with the relevant ministries and contact persons to foster better coordination the implementing agencies. This will ensure efficient cooperation pertaining to planning, coordination and implementation of the project.</p> <p>The ongoing gradual decentralization process and the establishment of dual Government Leadership structures at Provincial level (Provincial Governor - Elected and Secretary of State – Appointed) impacted negatively on the project's efficiency. In addition, according to the law, during the next elections (2025), this model will be further decentralized at District level. IFAD resources are implemented using a decentralized model through the Government budget and financial management system (e-SISTAFE), therefore reinforcing the use of national systems, as well as strengthening the capacity of the institutions at all levels. The IFAD support to the decentralization process will be hybrid, maintaining its support to the Government, as well as focusing on private sector and community based institutions.</p>		
<b>Governance</b>	<b>High</b>	<b>Substantial</b>
<p><b>Risk:</b></p> <p>The risk that the country can suffer from governance breakdowns (lack of/weak political checks and balances; lack of/weak public auditing systems; lack of/weak transparent information on government rules, regulations, and decisions; lack of/weak standards to prevent fraud and corruption; lack of/poor quality/transparency of allocation of resources for rural development) which can negatively affect the achievement of project objectives.</p>	High	Substantial

<p><b>Mitigations:</b></p> <p>Through the implementation of IFAD's "Framework for Operational Feedback from Stakeholders: Enhancing Transparency, Governance and Accountability", inclusive governance, transparency and accountability in development processes, including in associated grievance redress mechanisms, will be fostered. Information about the existence and functioning of such mechanisms will be made readily available to all stakeholders. Further, information regarding whistle-blower protection measures, and confidential reporting channels will be widely accessible in order to receive and address grievances appropriately, including allegations of fraud and corruption, and sexual exploitation and abuse.</p> <p>Engage, support and strengthen the National Audit Office (Tribunal Administrativo) for regular auditing of IFAD supported investments, in accordance with the International Standards of Supreme Audit Institutions (ISSAI).</p> <p>Strengthen and reinforce the use of national systems, particularly e-SISTAFE (Government Financial Management System).</p>		
<p><b>Macroeconomic</b></p>	<p><b>Substantial</b></p>	<p><b>Moderate</b></p>
<p><b>Risk:</b></p> <p>The risk that macroeconomic policies (monetary, fiscal, debt management/sustainability, trade) are overall fragile, unsustainable, and/or vulnerable to domestic or external shocks, thus resulting in high inflation, low foreign exchange reserves, large fiscal deficits and debt distress. This could lead to government inability to mobilize counterpart funding, and to an overall adverse impact on market dynamics of value chains, (market prices and profit margins for IFAD's target groups).</p>	<p>Substantial</p>	<p>Moderate</p>
<p><b>Mitigations:</b></p> <p>Taking into account the country's debt unsustainability, last programme financing has been negotiated to be 80% as grant and 20% as loan on highly concessional terms. Currently, the PROPEIXE financing terms are at 100% DSF grant. IFAD will continue it's supporting the production and productivity increases and build sustainable and market-oriented value chains, as well as macro-economic stability.</p> <p>IFAD is incentivizing the project teams to collect and document In-Kind-Contribution (IKC). Therefore, it is expected that PROPEIXE will report on IKC.</p>		
<p><b>Fragility and Security</b></p>	<p><b>High</b></p>	<p><b>Substantial</b></p>
<p><b>Risk:</b></p> <p>The risk that the country is vulnerable to natural and man-made shocks including civil unrest, conflict, and/or weak governance structures and institutions.</p>	<p>High</p>	<p>Substantial</p>
<p><b>Mitigations:</b></p> <p>Project design includes a Disaster Risk Reduction and Management/ contingency resources. This component was included as a mechanism to reduce project and beneficiary vulnerability to future climatic hazards and other shocks. It constitutes a programmatic window for the integration of preventive and response measures and corresponding allocation of additional dedicated funding. This is expected to facilitate easier and quick implementation of level 2 restructuring of the Programme in the event of an emergency or disaster.</p>		
<p><b>Sector Strategies and Policies</b></p>	<p><b>Moderate</b></p>	<p><b>Moderate</b></p>
<p><b>Policy alignment</b></p>	<p><b>Moderate</b></p>	<p><b>Moderate</b></p>

<p><b>Risk:</b></p> <p>The risk that a country's strategies and policies governing the rural and agricultural/Fisheries sector are not sufficiently pro-poor and/or aligned to IFAD's priorities (e.g. on land, environment, climate, gender, indigenous peoples, PwD, nutrition, youth, private sector engagement), undermining IFAD objectives.</p> <p>The Marine Regulation (REPMAR) will restrict the use of Beach Seine gear in the all-Mozambican coastal area in two years in order to ensure proper conservation and restauration of marine resources. This technique is used by the majority of the fisherman/women and is key for the food security, income and livelihoods of millions of coastal communities. The ban of Seine without any alternative livelihood options, will put thousands of HHs which rely on seine on a critical situation.</p>	Moderate	Moderate
<p><b>Mitigations:</b></p> <p>Leverage on Development Partners Group and IFAD country office in Mozambique (through the new Blue Economy Working Group – BewG) to remain engaged with the MIMAIP and restore country-level policy dialogue in a structured manner and support the design of sectoral strategies with clear milestones and indicators.</p> <p>Continue to engage IFAD to the in-country Policy Dialogue, with the Ministry of Fisheries and bring to the attention of the Senior Management the relevance of the provincial IDEPA delegations for implementing Fisheries policies/strategies and for supporting PROPEIXE and other development projects/programmes that are being implemented in the fisheries sector. With the current reestablishment of the IDEPA Delegations, the project will provide institutional support to reinforce the capacity of these provincial delegations and support the finalization of the new Artisanal Fisheries Strategy, the new Blue Economy Strategy, the and implementation of Marine Regulation.</p> <p>PROPEIXE will contribute to create alternative livelihood and income generation activities, and will strength the CCPs to play a great role when the decision to ban the gear takes place.</p>		
<b>Policy Development and Implementation</b>	<b>Moderate</b>	<b>Low</b>
<p><b>Risk:</b></p> <p>The risk that the country's strategies and policies governing the rural and agricultural/fisheries sector lack a sound evidence base, are not representative of rural peoples' organization's views, are not adequately resourced or supported by legal/regulatory frameworks, and/or are unsustainable, thus undermining the achievement of IFAD strategic objectives.</p> <p>The devolved system of governance was envisioned as a path to political inclusivity, fairer distribution of resources and an all-round inclusive society. However, the decentralized units of government suffer from structural weaknesses, with some provinces and districts receiving disproportionately low allocations from the national government, and lacking the mechanisms to raise local revenue, as well as physical infrastructure such as transport and power. This unbalanced distribution of resources in the country might affect the implementation of the project, especially considering that it is a countrywide interventions. Lesser developed provinces might lag behind during project's progress.</p>	Moderate	Low
<p><b>Mitigations:</b></p> <p>IFAD projects will increasingly support the decentralization and deconcentration by providing resources at the district and community level, strengthening both the state, private sector and grassroots institutions. Interventions to community level with provision of strong support to improving agricultural productivity, market linkages and inclusive rural finance are also critical. In particular work with poor rural people (women and youth), to enable them to grow and sell more food, increase their incomes, including capacity building that enables them to determine the direction of their own lives.</p>		
<b>Environment and Climate Context</b>	<b>Substantial</b>	<b>Moderate</b>
<b>Project vulnerability to environmental conditions</b>	<b>Substantial</b>	<b>Moderate</b>



<p><b>Risk:</b></p> <p>Over exploitation of mangroves for firewood, loss of biodiversity and degradation of coastal ecosystems. Vegetation clearing may occur during construction of various fisheries infrastructure.</p>	Substantial	Moderate
<p><b>Mitigations:</b></p> <p>i) Promoting community conservation and restoration of ecosystems and biodiversity rehabilitation and protection of coastal ecosystem and biodiversity hotspots, including mangroves reforestation, seagrass, coral reefs through education; ii) Strengthening environmental education and co-management through capacity building of CCPs to sustainably use of common resources; iii) Site specific Environmental and Social Management Plans (ESMPs) will be developed to minimise negative environmental impacts; iv) Capacity building on environmental management and Ecosystem rehabilitation will be promoted.</p>		
<b>Project vulnerability to climate change impacts</b>	<b>Substantial</b>	<b>Moderate</b>
<p><b>Risk:</b></p> <p>Mozambique is at high risk for extreme weather events. The frequency of days of heavy rainfall is expected to increase, leading to increased floods. Models also reveal that the frequency of tropical cyclones is likely to reduce but the intensity of these cyclones will increase. The frequency and intensity of days of extreme heat as well as droughts are also expected to increase.</p>	Substantial	Moderate
<p><b>Mitigations:</b></p> <p>Climate adaptation interventions including early warning systems, more accessible access to weather and climate data, climate-resilient infrastructure, climate-smart agricultural practices/technologies, renewable energy, and climate insurance to increase resilience. A targeted adaptation assessment was developed during design to assist in developing site-specific adaptation options.</p>		
<b>Project Scope</b>	<b>Moderate</b>	<b>Moderate</b>
<b>Project Relevance</b>	<b>Moderate</b>	<b>Low</b>
<p><b>Risk:</b></p> <p>The project is well aligned with the national policy, with the development objective to increase production, sales of higher value fish and income levels of rural households and other actors involved in the fisheries value chain in the target area. The lack of updated information of fisheries resources, especially on fish stocks and potential in the in-between open seas areas, where most of the project's high value fishing would be carried out, could entail a risk of over exploitation of the resources.</p>	Moderate	Low
<p><b>Mitigations:</b></p> <p>The project by diversifying artisanal fishing operations away from waters close to the shore, the areas that fishermen can currently reach with their boats and gear, would in fact relieve pressure on these easily accessible areas that are often over exploited both by inshore fishing and by beach seines, and instead promote fishing in areas where there is currently very little fishing effort and where the stocks are under exploited and in some areas especially in the north hardly exploited at all. In addition, the strengthening of CCPs, the establishment of community management areas, as well interventions to preserve the ecosystems and biodiversity.</p>		
<b>Technical Soundness</b>	<b>Moderate</b>	<b>Moderate</b>

<p><b>Risk:</b></p> <p>As noted in the completion report of PROPESCA, it is prudent to pay attention to setting realistic goals in order to ensure all the activities are carried out, and done within the project lifespan. The completion report also noted the necessity to allocate sufficient time for launching the preparation period and coordination of activities pertaining to availability of resources and disbursement. Although the targets laid out in the logical framework are quite realistic, there is always a risk of underachievement of targets especially if activities and outputs are not monitored and documented properly, and problems arising along the way addressed swiftly and effectively.</p>	Moderate	Moderate
<p><b>Mitigations:</b></p> <p>Continued monitoring and evaluation of the project with the aim of reviewing the achievement of targets. At mid-term review, the project will review achievement of mid-term targets against those set at design. This will provide an opportunity for revision/restructuring of the targets in order to ensure better results at completion, and sustainability beyond the project's life span.</p> <p>In addition, the Government will request the use of FIPS, which will reduce the start-up delays, and enhance project implementation.</p>		
<p><b>Risk:</b></p> <p>The lack of fishing inputs produced in-country, at provincial and district levels, as well as quality of the imported products.</p>	Moderate	Moderate
<p><b>Mitigations:</b></p> <p>The Government is working with different institutions to organize the fisheries inputs importing. This include the customs as well technical teams to ensure that the quality of the products.</p> <p>At provincial and district levels, PROPEIXE will support the establishment of network of input providers through the 4P model envisaged in the project.</p>		
<p><b>Institutional Capacity for Implementation and Sustainability</b></p>	<b>Substantial</b>	<b>Moderate</b>
<p><b>Implementation Arrangements</b></p>	<b>Substantial</b>	<b>Moderate</b>
<p><b>Risk:</b></p> <p>The main institutions involved in the promotion of fisheries activity in Mozambique are the Ministry of Sea, Inland Water and Fisheries (MIMAIP), the Provincial Directorates of Sea, Inland Waters and Fisheries (DPMAIPs) and the Institute of Development of Fisheries and Aquaculture (IDEPA). Based on the institutional analysis conducted during the projects design, the following risks were identified: insufficient administration capacity at central and provincial levels, and particularly at the district level. The planning, coordination, implementing and policy monitoring is challenging taking into account the different MIMAIP institutions that are involved with the project implementation with different key roles. There is also a lack in the technical expertise and extension capacity in the fields. Given the critical roles of these institutions to the implementation of this project, these risks pose a significant threat of underachieving the development objectives, if not adequately addressed.</p>	Substantial	Moderate
<p><b>Mitigations:</b></p> <p>IDEPA has been identified as the primary institution for management of the project. This will streamline the coordination procedures between the various institutions. The project will have support from a Project Coordination Team (PMT) which will be made up of competitively recruited persons for the roles of: coordinator, financial manager, accountant, procurement officer and M&amp;E officer. This expertise will fill the capacity gap in the sector and facilitate achievement of the project's development goal, and coordination with institutions from other sectors.</p>		
<p><b>Monitoring and Evaluation Arrangements</b></p>	<b>Moderate</b>	<b>Low</b>

<p><b>Risk:</b></p> <p>IDEPA has been identified as the primary institution for management of the project. This will streamline the coordination procedures between the various institutions. The project will have support from a Project Coordination Team (PMT) which will be made up of competitively recruited persons for the roles of: coordinator, financial manager, accountant, procurement officer and M&amp;E officer. This expertise will fill the capacity gap in the sector and facilitate achievement of the project's development goal, and coordination with institutions from other sectors.</p>	Moderate	Low
<p><b>Mitigations:</b></p> <p>The project is confronted with weak implementation capacity particularly at provincial level; the challenge is one of attracting suitably qualified staff to manage the provincial offices following the reestablishment of IDEPA Delegations. The Government of Mozambique's debt crisis and the COVID-19, Ukraine-Russia crisis have impacted on its ability to fund existing commitments. The experience of many other projects (past and present) suggests that these capacity constraints could seriously affect the pace and quality of project implementation, compromising the achievement of PDO.</p>		
<p><b>Project Financial Management</b></p>	<b>Substantial</b>	<b>Substantial</b>
<p><b>Project Organization and Staffing</b></p>	<b>Substantial</b>	<b>Substantial</b>
<p><b>Risk:</b></p> <p>The LPA has demonstrated adequate FM organisation and staffing capacity. Accounting staff of the IDEPA are adequately qualified and experienced. The current and past projects have had dedicated finance staff, and there is additional support from the LPA finance team when necessary, especially in relation to approval of transactions through the government systems, and follow up of sub-national FM reporting.</p> <p>There is a risk that the staff to be recruited for the new project at national and sub-national levels will not have sufficient knowledge of IFAD FM requirements.</p>	Substantial	Substantial
<p><b>Mitigations:</b></p> <p>Final FM structure of the PMU to be refined and staff recruited within six months of entry into force. Training of all finance staff at national and sub-national level to be conducted within the start-up phase of the project.</p>		
<p><b>Project Budgeting</b></p>	<b>Substantial</b>	<b>Substantial</b>
<p><b>Risk:</b></p> <p>Budgets for the current IFAD supported project are reasonable. The process of developing the AWPBs is participatory. There have been revisions in the past, which slowed implementation. Approval of the budgets is done by the PSC.</p> <p>Delays in preparation and approval of budgets could significantly affect implementation of the project.</p>	Substantial	Substantial
<p><b>Mitigations:</b></p> <p>Preparation of project AWPBs will be participatory to ensure reasonable/realistic targets for both national and sub-national implementation. Set-up of the PSC should be completed (including selection of PSC members and drafting the relevant TORs) before commencement of the project.</p>		
<p><b>Project Funds Flow/Disbursement Arrangements</b></p>	<b>Substantial</b>	<b>Substantial</b>

<p><b>Risk:</b></p> <p>The project is likely to have multiple financing facilities (IFAD, GEF, and GoM and potentially other co-financiers such as OFID). This could complicate the treasury arrangements leading to delays in accessing funding, thus adversely affecting implementation of project activities.</p>	Substantial	Substantial
<p><b>Mitigations:</b></p> <p>DA for each financier to the project and corresponding operational accounts in CUT will be opened prior to the first withdrawal. Develop tools during the start-up phase to capture all counterpart contributions by government and beneficiaries.</p>		
<p><b>Project Internal Controls</b></p>	<b>Substantial</b>	<b>Substantial</b>
<p><b>Risk:</b></p> <p>There are sufficient controls within the government financial systems in Mozambique to effectively manage external funding. Specific to project financing, there hasn't been incidences of government interference with project funds, that would cast doubt on the ability of the project to successfully implement the project. There is a risk that with limited monitoring, the controls in place may not work optimally which could lead to inefficient and inappropriate use of project resources. There is also a risk that internal audit department of IDEPA will not carry out audit reviews of the project, and if carried out, may not have adequate coverage given the multiple implementation levels.</p>	Substantial	Substantial
<p><b>Mitigations:</b></p> <p>Project specific FM policies and procedures to be detailed in the PIM. The new project will be included in the annual plan of the internal audit department. Consideration to be made regarding recruitment of an internal auditor to supplement the efforts of the internal audit department of IDEPA, focusing mainly on the two IFAD financed projects.</p>		
<p><b>Project Accounting and Financial Reporting</b></p>	<b>Substantial</b>	<b>Substantial</b>
<p><b>Risk:</b></p> <p>The accounting system (e-SISTAFE) allows for proper recording of financial transactions. However, the system is not fully tailored for IFAD financial reporting requirements. The customisation process is ongoing for the current project (PRODAPE) and should be suitable for PROPEIXE as well.</p>	Substantial	Substantial
<p><b>Mitigations:</b></p> <p>Complete the customisation process of e-SISTAFE to suit IFAD financial reporting requirements prior to the first withdrawal.</p>		
<p><b>Project External Audit</b></p>	<b>Substantial</b>	<b>Substantial</b>
<p><b>Risk:</b></p> <p>The Administrative Court ('Tribunal Administrativo': TA) is the Supreme Audit Institution in Mozambique in charge of the audit of all public institutions and State entities at central, provincial and local levels. Whereas this assessment did not specifically cover the structures of the SAI, the institution has not audited IFAD projects in previous years. There is therefore a risk that TA will not include the IFAD project audit in their work plan and meet IFAD timeliness requirement. However, there is agreement to commence the review of IFAD projects in the country commencing with the financial year ending 31 December 2023.</p>	Substantial	Substantial

<p><b>Mitigations:</b></p> <p>Project to prepare financial statements in compliance with IPSAS cash basis standard. Engage the TA early for inclusion into their external audit plan from the first year of the project.</p>		
<b>Project Procurement</b>	<b>Substantial</b>	<b>Substantial</b>
<b>Legal and Regulatory Framework</b>	<b>High</b>	<b>High</b>
<p><b>Risk:</b></p> <p>The risk that the implementing regulations that supplement and detail the provisions of the procurement decree are not updated regularly to allow adequate implementation of the decree and/or to address the identified gaps such as opportunities for the use of Direct Contracting and other less competitive methods that impact on competition and result in poor procurement outcomes, the unavailability of updated Standard Bidding Documents (SBDs) and updated operating guidelines for use by procurement implementing units.</p>	High	High
<p><b>Mitigations:</b></p> <p>The project to use IFAD procurement Guidelines and Handbook to ensure competition among market participants until a time when the GoM SBDs are updated to a level that is acceptable to IFAD for use in IFAD-funded projects.</p> <p>Avoiding the use of Direct Contracting since it is highly regulated and can only be used in exceptional circumstances as provided in the IFAD Procurement Guidelines and Procurement Handbook.</p>		
<b>Accountability and Transparency</b>	<b>High</b>	<b>High</b>
<p><b>Risk:</b></p> <p>The risk that there may be loss of trust of the public procurement system by the stakeholders, in particular the bidders and private sector due to the absence of an effective enforcement of non-judicial dispute resolution mechanism (no independent appeals body at administrative level), non-implementation of audit findings/recommendations, and lack of comprehensive information on public procurement on a centralized portal to facilitate effective public and civil society participation.</p>	High	High
<p><b>Mitigations:</b></p> <p>Publish procurement opportunities to ensure wide availability of public procurement information which can in turn spur effective participation by stakeholders (citizens, private sector and civil society), for example by publishing procurement plans and General Procurement Notices well in advance of procurement time, inviting the public to observe tender opening sessions, publishing bid awards and debriefing unsuccessful bidders.</p> <p>Arrange Business Opportunity Seminars to sensitise the private sector on how to access procurement opportunities, how to do business with IFAD projects, how to participate and submit tender documents, how to register at the Cadastro, conditions for pre-qualification/post qualification, and how to register complaints/appeals.</p>		
<b>Capability in Public Procurement</b>	<b>Moderate</b>	<b>Moderate</b>
<p><b>Risk:</b></p> <p>Lack of a professionalized procurement cadre. This poses the risk of procurement processes being carried out by unqualified procurement practitioners and may lead to incidences of non-compliance with the procurement law.</p>	Moderate	Moderate

<p><b>Mitigations:</b></p> <p>The procurement regulatory agency (UFSA) should lobby for the legislation of a Procurement Practitioners Act for public procurement to be treated as a strategic level activity in corporate structures to give the procurement profession better recognition by stakeholders.</p> <p>UFSA to conduct regular procurement training to close the skills gap among procurement practitioners.</p> <p>Project procurement staff should be enrolled in the IFAD Build Proc training programme in procurement to improve the procurement capacity in the PMU.</p>		
<p><b>Public Procurement Processes</b></p>	<p><b>Moderate</b></p>	<p><b>Moderate</b></p>
<p><b>Risk:</b></p> <p>Procurement planning based on limited market scoping. Procurement plans are not published.</p> <p>Manual procurement system that prolonged the procurement process and causes delays. Hence limited ability to track and monitor procurement progress and processes.</p> <p>Weak contract management. Contracts are managed by the Finance department and levels in the contract management process are not clarified in the contract management framework.</p>	<p>Moderate</p>	<p>Moderate</p>
<p><b>Mitigations:</b></p> <p>Adopt a risk-based approach to procurement. Train procurement staff on procurement planning, contract management, sustainability and SECAP requirements.</p> <p>Publish procurement plans on the project website and the UFSA portal.</p> <p>Computerize and integrate technology into procurement processes. The introduction of e-procurement. Since there is a framework already in place.</p>		
<p><b>Environment, Social and Climate Impact</b></p>	<p><b>Moderate</b></p>	<p><b>Low</b></p>
<p><b>Biodiversity Conservation</b></p>	<p><b>Substantial</b></p>	<p><b>Moderate</b></p>
<p><b>Risk:</b></p> <p>The risk that the project may cause significant threats to or the loss of biodiversity, availability of diversified nutritious food, ecosystems and ecosystem services, territories of the indigenous peoples, or the unsustainable use/production of living natural resources.</p>	<p>Substantial</p>	<p>Moderate</p>
<p><b>Mitigations:</b></p> <p>PROPEIXE will promote mangrove, sea weed planting this will result in i)Protection of coastal erosion ii) micro-climate balance iii) nursery habitat for fish species. Training will be provided to fishing communities on good fishing practices, restocking, alternative production systems and sustainable harvesting of fish. Engagement with law enforcement to support CCPs in protecting biodiversity.</p>		
<p><b>Resource Efficiency and Pollution Prevention</b></p>	<p><b>Substantial</b></p>	<p><b>Moderate</b></p>
<p><b>Risk:</b></p> <p>The risk that the project may cause significant pollution to air, water, and land, and inefficient use of finite resources that may threaten people, ecosystem services and the environment at the local, regional, and global levels.</p>	<p>Substantial</p>	<p>Moderate</p>

<p><b>Mitigations:</b></p> <p>Fishers will be educated in i) boat safety, safe handling methods of oil, fuel, control of spills; and conservation of marine resources. ii) segregation of solid waste, avoidance and monitoring of banned/hazardous substances; (iii) sustainable disposal of batteries and waste; (iv) build capacity of farmers in sustainable land management to reduce water pollution.</p>		
<p><b>Cultural Heritage</b></p>	<b>Moderate</b>	<b>Low</b>
<p><b>Risk:</b></p> <p>Poor site selection of sub-projects may risk significant cultural or physical resource degradation, including threats to or the loss of resources of historical, religious or cultural significance during excavations.</p>	Moderate	Low
<p><b>Mitigations:</b></p> <p>The Environmental and Social Impact Assessment (ESIA) process will be used to verify with relevant authorities, Institute of Socio-Cultural Research (ARPAC) and local authorities the presence of cultural heritage features in the proposed sub-project's site. In case of identification of any archaeological artefacts during works process, the Contractor should stop the operation and notify the Resident Engineer which must inform the relevant authorities for future inquiry.</p>		
<p><b>Indigenous People</b></p>	<b>Low</b>	<b>Low</b>
<p><b>Risk:</b></p> <p>There are no issue pertaining specifically IPs.</p>	Low	Low
<p><b>Mitigations:</b></p> <p>N/A</p>		
<p><b>Labour and Working Conditions</b></p>	<b>Moderate</b>	<b>Low</b>
<p><b>Risk:</b></p> <p>Due to weak legal and regulatory enforcement, exploitative labour practices e.g employment of children and gender based violence may be experienced in the project. There is also a risk of poor working conditions especially for the youth and women involved in fish processing due to smoke. In addition some fish production, processing, transporting and marketing may involve some children (age under 18).</p>	Moderate	Low
<p><b>Mitigations:</b></p> <p>The project will raise awareness against child labour, gender-based violence, and unsafe working conditions. The project will enforce the IFAD Sexual Exploitation and Abuse (SEA) gender based violence provisions and Gender Action Learning System (GALS) to engage targeted households on the benefits of impartial sharing of labour.</p> <p>the use of GALS methodology will minimize inequity in labour distribution, discourage child labour and encourage household members to work together and reduce women's workload through time and energy saving solutions.</p>		
<p><b>Community Health and Safety</b></p>	<b>Moderate</b>	<b>Low</b>

<p><b>Risk:</b></p> <p>Adverse health effects such as malnutrition, stunting, wasting anemia or micronutrient deficiencies (including folate, Vitamin A, iron, iodine) due to e.g. changes in livelihood and subsistence practices, or food inflation. There is a risk of not attaining the anticipated nutrition outcomes if smallholder households do not consume diversified diets and if income earned from sell of fish products is not used to buy nutritious food items at households.</p> <p>The project may cause significant adverse impacts on social health/safety status of the population as a result of poor safety standards around fishing processing infrastructures and technologies, resulting in disease outbreaks of water borne disease, and pollution.</p>	Moderate	Low
<p><b>Mitigations:</b></p> <p>Dedicated nutrition interventions will for (i) households that are food insecure and nutritionally vulnerable and have at least one child under the age of five years; (ii) Households with a malnourished mother and adolescent girls; (iii) Women-headed households and iv) vulnerable households with pregnant and lactating women. Strong nutrition education and social and behavior change and communication will encourage increased consumption of diversified foods and will ensure that income generated is also invested in better diets of the family members.</p> <p>Coordination and alignment of the project to existing national and provincial level health programs will enhance and contribute to better outcome of the interventions.</p> <p>Capacity building for farmers and other community members will be done on efficient use of water; proper storage, handling, use and disposal of chemicals, integrated pest management; disease/infection monitoring occurrence and public health indicators, and also how to take corrective measures (e.g. physical changes to the production units, education, etc) as needed.</p>		
<p><b>Physical and Economic Resettlement</b></p>	Low	Low
<p><b>Risk:</b></p> <p>The risk that the project may cause significant adverse physical, social, cultural or economic impacts, especially for marginalized groups, from land acquisition, and involuntary loss of land, assets, access to assets, income sources, or means of livelihoods.</p>	Low	Low
<p><b>Mitigations:</b></p> <p>The project does not anticipate any physical or economic resettlement.</p>		
<p><b>Greenhouse Gas Emissions</b></p>	Low	Low
<p><b>Risk:</b></p> <p>The risk that the project may significantly increase greenhouse gas emissions and thereby contribute to anthropogenic climate change.</p>	Low	Low
<p><b>Mitigations:</b></p> <p>The risk will be assessed using the FAO Ex Ante carbon tool during design and account for carbon sequestered due to planting of mangroves and restoration of the ecosystems. The project will promote climate adaptation options with mitigation co-benefits including use of improved cook stoves, renewable energy in fish processing (drying, storage and transportation).</p>		
<p><b>Vulnerability of target populations and ecosystems to climate variability and hazards</b></p>	Low	Low
<p><b>Risk:</b></p> <p>The risk that the project may significantly increase the exposure or vulnerability of target populations' livelihoods, ecosystems, economic assets or infrastructure to climate variability and hazards.</p>	Low	Low



<p><b>Mitigations:</b></p> <p>PROPEIXE will invest in climate adaptation and resilience strategies with mitigation co-benefits to lessen susceptibility and manage the numerous climate-related risks to combat the effects of climate change hazards. Climate adaptation with mitigation co-benefits like improved early warning systems, more accessible access to weather and climate data, climate-resilient infrastructure, climate-smart agricultural practices/technologies, renewable energy, and climate insurance, will support build resilience.</p>		
<p><b>Stakeholders</b></p>	<p><b>Moderate</b></p>	<p><b>Low</b></p>
<p><b>Stakeholder Engagement/Coordination</b></p>	<p><b>Moderate</b></p>	<p><b>Low</b></p>
<p><b>Risk:</b></p> <p>Elite capture may limit participation from the most vulnerable households and direct project resources to areas which are not relevant for them. A part of PPP engagement with multiple stakeholders, it is key that poverty focus is maintained to ensure poverty targeting.</p>	<p>Moderate</p>	<p>Low</p>
<p><b>Mitigations:</b></p> <p>The project will put attention to capture and integrate the view of all stakeholders and include key steps such as: information, consultation, engagement with all social actors and specific measures for social inclusion of the most vulnerable as outlined in the targeting and social inclusion strategy. Field staff will be attentive to critical monitoring of intended beneficiaries to ensure they are effectively reached and understand the effects of interventions within each target group. Detailed Stakeholder Engagement plan will be prepared.</p>		
<p><b>Stakeholder Grievances</b></p>	<p><b>Moderate</b></p>	<p><b>Low</b></p>
<p><b>Risk:</b></p> <p>Inadequate or delayed activation of grievance/complaint redress mechanisms, resulting in unresolved stakeholder complaints, which may result in low motivation and project participation. This could jeopardize project implementation and the achievement of project development goals.</p>	<p>Moderate</p>	<p>Low</p>
<p><b>Mitigations:</b></p> <p>PROPEIXE will provide capacity building for project staff and senior government representatives from lead project executing agencies so that they can effectively engage stakeholders and provide feedback on IFAD investments. For the project, a grievance redress mechanism will be developed to provide a channel for complaints.</p>		

## **Mozambique**

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### **Artisanal Fisheries Resilient Development Project Project Design Report**

#### **Annex 10: Exit Strategy**

Mission Dates: 22 May – 09 June  
Document Date: 25/10/2023  
Project No. 2000004008  
Report No. 6599-MZ

East and Southern Africa Division  
Programme Management Department



### **a. Exit Strategy and Sustainability**

1. PROPEIXE sustainability is based on its alignment with national priorities and support for national institutions under Component 3. PROPEIXE would be integrated and implemented within fisheries institutions through a decentralized structure, thus IDEPA capacity at local level will be strengthened to ensure long-term sustainability of interventions through systemic improvements of service delivery on the ground.
2. Further to this, other key sustainability approaches deployed in PROPEIXE are:
  - Private sector- led value chain interventions approaches that focus on creating financially viable models for local MSME growth and linkages between market players to ensure demand-based investment rational.
  - Piloting of PPP models for infrastructure management as part of a strategy to provide long-term sustainability of the operations and services.
  - Climate proofing of infrastructure as part of the public investment in sector resilience.
  - Building the capacity of women and youth to engage proactively in sustainable resource use and management and the development of green alternative livelihoods and sustainable fishery related businesses.
  - Strengthening the capacity of local institutions such as CCPs to pro-actively manage the fishery resources and ensure their sustainability.
3. The project builds synergies, with other IFAD interventions, as well as a variety of donor investments such as ILO, WB, EU, Norway and Sweden that promotes synergies in interventions and a consolidation of sector impacts.
4. Finally, the natural resource and ecosystem conservation interventions will contribute towards the long-term fishery resource sustainability and resilience of the coastal fishery livelihoods.

### **b. Innovation and scaling up**

5. The innovative features of the project are its focus on climate proofing and greening the fishery value chain, as well as supporting the development of local MSMEs through a graduation approach based on the introduction of new sustainable fishing techniques and practices that are to be assessed in terms of their economic and financial viability and where appropriate supported to transition into local MSME start-ups.

The scaling-up of the activities is to be achieved through strategic partnerships with other IFAD investments, such as REFP, which will offer business financing opportunities to support expansion of existing and the creation of new businesses based on the alternative green livelihoods and sustainable fishing opportunities created by the project.

In addition, the successful demonstration of public private partnerships models for market infrastructure and value chain services will provide an opportunity for replication in other existing fishing market sites that are currently underperforming.

Finally, an key innovation will be the formalisation of the role of the CCPs as resource management partners to the government institutions and their capacity building beyond data collection, but also data analysis and reflection of results into local resource management plans that ensures ownership, compliance and evidence-based management practices. The positive impacts on fisheries stocks and the resilience to environmental shocks will provide an example to be replicated along the coast. In

order to support the capacity for replication, IDEPA capacity on the ground will be enhanced in order to support the effective delivery of its mandate.

## **Mozambique**

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### **Artisanal Fisheries Resilient Development Project**

### **Project Design Report**

### **Annex 11: Mainstreaming themes – Eligibility criteria checklist**

Mission Dates: 22 May – 09 June

Document Date: 25/10/2023

Project No. 2000004008

Report No. 6599-MZ

East and Southern Africa Division  
Programme Management Department



Mainstreaming themes – Eligibility criteria checklist						
	<input checked="" type="checkbox"/> Be gender transformative	<input type="checkbox"/> Be youth sensitive	<input checked="" type="checkbox"/> Be nutrition sensitive	<input type="checkbox"/> Prioritize persons with disabilities	<input type="checkbox"/> Prioritize indigenous peoples	<input checked="" type="checkbox"/> Include climate finance <input checked="" type="checkbox"/> Build adaptive capacity
<b>Situation analysis</b>	<input checked="" type="checkbox"/> National gender policies, strategies and actors <input checked="" type="checkbox"/> Gender roles and exclusion/discrimination <input checked="" type="checkbox"/> Key livelihood problems and opportunities, by gender	<input type="checkbox"/> National youth policies, strategies and actors <input type="checkbox"/> Main youth groups <input type="checkbox"/> Challenges and opportunities by youth group	<input checked="" type="checkbox"/> National nutrition policies, strategies and actors <input checked="" type="checkbox"/> Key nutrition problems and underlying causes, by group <input checked="" type="checkbox"/> Nutritionally vulnerable beneficiaries, by group	<input type="checkbox"/> National policies, strategies and actors <input type="checkbox"/> Main groupings among PwDs <input type="checkbox"/> Context-based barriers and opportunities for PwDs	<input type="checkbox"/> International standards, national policies, strategies and key IPs' organizations <input type="checkbox"/> Main IPs communities, demographic, social, cultural and political characteristics <input type="checkbox"/> Important livelihoods constraints and opportunities for IPs and their cultural heritage	
<b>Theory of change</b>	<input checked="" type="checkbox"/> Gender policy objectives (empowerment, voice, workload) <input checked="" type="checkbox"/> Gender transformative pathways <input checked="" type="checkbox"/> Policy engagement on GEWE	<input type="checkbox"/> Pathways to youth socioeconomic empowerment <input type="checkbox"/> Youth employment included in project objectives/activities	<input checked="" type="checkbox"/> Nutrition pathways <input checked="" type="checkbox"/> Causal linkage between problems, outcomes and impacts	<input type="checkbox"/> Pathways to PwDs' socioeconomic empowerment using a twin-track approach	<input type="checkbox"/> Pathways to IPs' socioeconomic empowerment	
<b>Logframe indicators</b>	<input checked="" type="checkbox"/> Outreach disaggregated by sex, youth and IPs (if appropriate) <input checked="" type="checkbox"/> Women are > 40% of outreach beneficiaries <input checked="" type="checkbox"/> IFAD empowerment index (IE.2.1)	<input type="checkbox"/> Outreach disaggregated by sex, youth and IPs (if appropriate) <input type="checkbox"/> Persons with new jobs/employment opportunities (CI 2.2.1)	<input checked="" type="checkbox"/> Outreach disaggregated by sex, youth and IPs (if appropriate) <input checked="" type="checkbox"/> Targeted support to improve nutrition (CI 1.1.8)  <b>Outcome level CIs</b> <input type="checkbox"/> CI 1.2.8 MDDW <input type="checkbox"/> CI 1.2.9 KAP	<input type="checkbox"/> Outreach disaggregated by sex, youth, disability and IPs (if appropriate)	<input type="checkbox"/> Outreach indicator disaggregated by sex, youth and IPs <input type="checkbox"/> IPs are > 30% of target beneficiaries	
<b>Human and financial resources</b>	<input checked="" type="checkbox"/> Staff with gender TORs <input checked="" type="checkbox"/> Funds for gender activities <input checked="" type="checkbox"/> Funds for IFAD empowerment index in M&E budget	<input type="checkbox"/> Staff with youth TORs <input type="checkbox"/> Funds for youth activities	<input checked="" type="checkbox"/> Staff or partner with nutrition TORs <input checked="" type="checkbox"/> Funds for nutrition activities	<input type="checkbox"/> Staff with disability inclusion-specific TORs <input type="checkbox"/> Funds for disability inclusion-related activities (including accessibility)	<input type="checkbox"/> Staff with IPs-specific TORs <input type="checkbox"/> Funds for IPs related activities, including FPIC	IFAD Adaptation Finance \$13,199,000  IFAD Mitigation Finance \$0  Total IFAD Climate-focused Finance \$13,199,000



<b>ECG Remarks</b>	<p><b>Gender</b> PROPEIXE aims to be Gender transformative and meets required threshold as provided for by the Mainstreaming tracking tool</p> <p><b>Nutrition</b> PROPEIXE aims to be Nutrition sensitive and meets required threshold as provided for by the Mainstreaming tracking tool</p> <p><b>Youth</b></p> <p><b>Persons with Disabilities</b></p> <p><b>Indigenous Peoples</b></p> <p><input type="checkbox"/> No social inclusion themes</p>
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## **Mozambique**

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### **Artisanal Fisheries Resilient Development Project**

#### **Project Design Report**

#### **Annex: Annex 5.1 - Environmental, Social and Climate Management Framework (ESCMF) Vol 1**

Mission Dates: 22 May – 09 June

Document Date: 25/10/2023

Project No. 2000004008

Report No. 6599-MZ

East and Southern Africa Division  
Programme Management Department





**GOVERNMENT OF MOZAMBIQUE**

**Artisanal Fisheries Resilient Development Project  
(PROPEIXE)**



**ENVIRONMENTAL, SOCIAL AND CLIMATE MANAGEMENT FRAMEWORK  
(ESCMF)**

**VOLUME I**

## OTHER REPORTS IN THIS SERIES

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The PROPEIXE safeguards forms part of a series which is intended to provide complete documentation for the requirements of a holistic environmental social and Climate safeguards management system for the programme. This Safeguards instrument contains the findings of a study conducted for the agriculture sector of the Republic of Mozambique and the instrument has been developed on the basis of the local conditions and findings. The following documents form the series:

**Volume 1:**

Environmental, Social and Climate Management Framework (ESCMF)

**Volume 2:**

Targeted Adaptation Assessment (TAA)

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## **Executive Summary**

This Environmental, Social and Climate Management Framework (ESCMF) was developed for the Artisanal Fisheries Resilience Development Project (PROPEIXE) which is being prepared by the Government of Mozambique (GoM) with support from IFAD with the aim to support artisanal fisheries by enhancing community co-management, conservation and restoration of ecosystems and biodiversity. The PROPEIXE goal is to sustainably increase the incomes, nutrition and food security by addressing the main barriers to sustainable production and marketing for artisanal fisheries. The Project Development Objective (PDO) will be to “increase the sustainability of fishery value chain returns, by promoting responsible fisheries, community conservation and restoration of ecosystems and biodiversity, while also supporting fishery community resilience through diversification of livelihoods”. The Ministry of Sea, Inland Waters and Fisheries (MIMAIP) will be responsible for coordination and operational management of the project.

This ESCMF was prepared during the design phase and is part of the volume series which include a Climate Targeted Adaptation Assessment. The objective of the ESCMF is to ensure compliance of relevant policies, including IFAD Environmental, Social and Climate (ESC) Standards, and to direct the Programme personnel and stakeholders during the implementation of the project in addressing the ESC concerns identified. The ESCMF also aims to manage the ESC impacts through appropriate mitigation measures that may arise with the implementation of the project, providing specific guidance to be followed consistently with the existing IFAD and national policies and international best practices.

The ESCMF is organized into 13 sections:

- Chapter 1 describes the project scope and coverage, and objectives of the ESCMF in relation to the project preparation phase.
- Chapter 2 looks at the beneficiary community baseline information to assist in targeting and implementation approaches.
- Chapter 3 analyses the Legislative, Regulatory and Administrative Framework under which the project will be implemented
- Chapter 4 identifies the potential ESC impacts due to the project activities and the proposed mitigation measures to avoid and/or minimize the negative impacts and to also enhance the positive impacts from the project
- Chapter 5 describes SECAP procedures for Screening, Assessment and Management of Sub-Projects during preparation, construction and implementation phases
- Chapter 6 presents the ESCMP matrix outlining the recommended mitigation measures, public consultation activities required, responsible institution, monitoring and reporting arrangements and cost estimates for implementing the measures
- Chapter 7 provides an overview of roles and responsibilities for the implementation of the ESCMF throughout the Programme cycle
- Chapter 8 establishes the monitoring and evaluation arrangements
- Chapter 9 suggests the required capacity building to enable smooth and effective implementation of the ESCMF
- Chapter 10 presents the budget for implementation the ESCMF
- Chapter 11 outlines the procedures for Chance Finds during the construction and implementation phases of the project
- Chapter 12 outlines the Stakeholder Engagement Plan (SEP) to enhance communication and engagement from preparatory phase to project decommissioning
- Chapter 13 outlines the proposed Grievance Redress Mechanism for the project giving at least three options that may be followed at any time

The main sections of this ESCMF are complemented by several attachments that provide Programme/national-level details and other relevant information.

Conclusions made in the identification and analysis of impacts and risks were based on the study undertaken by the Consultant in coordination with other consultants working on different safeguards as well as the rest of design team members through the following:

- Stakeholder interviews at national, district and community level
- Reconnaissance field visits to determine the key environmental, social and climate parameters and aspects that are likely to be impacted by the program activities
- Consensus with the IFAD/MIMAIP design team on the scale of the assessment to be undertaken during project design
- Review of the previous work conducted at the Project Identification stage
- Online research especially on how other similar Projects addressed potential ESC issues
- Review of existing relevant documentation (including Safeguards documents developed for the Mozambique portfolio)
- Expert knowledge and experience of the Consultant in working with similar developments initiatives

PROPEIXE has associated positive environmental impacts resulting from the promotion of economic activities that are environmentally sustainable (reducing pressure on natural resources) and resilient to climate shocks. The project will also support activities aimed at improving natural resource management and enhancing conservation. There is, however, the risk of difficulties in effective implementation due to lack of awareness and motivation of beneficiaries but also due to lack of assistance capacity at district level in terms of adequate extension human resources, technical capacity and mobility. The sustainability of good practices in the long term is another challenge to be managed by the project.

The majority of environmental negative impacts and risks (water/air pollution, noise, alteration of land cover, Soil and land degradation, drainage congestion and water logging) of the project are emanating from Component 2 which focuses on developing a sustainable fisheries value chain, built on the concept of building climate resilience, environmental sustainability, provision of infrastructure, cold chain services and linkages. However, these impacts are predictable and can be mitigated through appropriate design and effective management and supervision of contractors, and close consultation with all relevant stakeholders. Site and context-specific impacts and mitigation measures should be considered by each sub-project. Habitat loss, biodiversity disturbances and over-exploitation of fish including by-catches and illegal catches were identified as critical environmental challenges that could result from the project but only if education, awareness monitoring and enforcement is weak or non-existent.

In social terms, as the focus of PROPEIXE is to improve the livelihood of artisanal fishery communities, with special focus on women and youth, it is expected that the implementation of the project will have a positive impact on the populations covered. Simultaneously, the project includes activities such as construction/rehabilitation of infrastructure and support to the whole fisheries value chain aimed at improving the livelihoods of the target communities, which by itself will result in positive impacts.

The project also foresees the involvement of communities in natural resource conservation and restoration which will constitute a positive impact. Non-compliance to sustainable fishing practices is predicted as a major challenge for the project and suggestions for mitigation include continuous awareness raising and educational activities but more so, the empowerment of CCPs to educate,

support and monitor compliance. Risk of benefit capture by elites, low involvement of women, youth not joining the project, low nutritional uptake, public health challenges due to influx of people, occupational safety and health issues and conflict between communities themselves and with outsiders were identified. The project will be implemented at the backdrop of social unrest in the North and as such should be prepared to deal with IDPs including possible conflicts on resource use and management. Given the background of the country, it is possible to come across objects of potential cultural heritage significance during construction and implementation phases, and as such a Chance Finds procedure has been developed for the project.

The overall impact assessment of the project activities to be implemented reveals that most of the adverse impacts could be minimised and/or eliminated by adopting standard mitigation measures. There is also scope to enhance some of the beneficial impacts to be generated from the proposed project. The potential impacts of the project that have been identified as part of the ESCMF are listed in Table 6.

Sub-project planning, implementation, monitoring and evaluation will be carried out in a participatory way in order to minimize negative impacts. All sub-projects will undergo an environmental and social screening process that will determine the need for the preparation of additional environmental, social and climate risk assessment and management tools, such as the ESIA, ESCMP, Natural Resources and Environmental Management Plan, Disaster Risk Management Plan, Labour Assessment and Management Plan, Health and Safety Management Plan, Chance Findings Procedure and SEA/SH and GBV Management Plan among others.

The ESCMF thus, places emphasis on the need for dedicated ESC Safeguards specialists in the PMU and for continuous monitoring and regular audits to be conducted during the duration of the Programme. This ESCMF identifies the steps that will be followed to mitigate, and manage adverse impacts within the full Programme cycle, from design and planning, operation and maintenance and decommissioning.

IDEPA under MIMAIP, will be the lead agency responsible for the overall coordination and implementation of PROPEIXE project, with responsibility for ensuring the proper assessment and management of environmental, social and climate risks and impacts of all sub-projects, in order to guarantee that they are sustainable in environmental and social terms. The project PMU will coordinate the implementation activities of the ESCMF through the technical assistance from the ESC Safeguards at central PMU level and at district level.

All stakeholders, at provincial level and district level, will need to participate in capacity building, including sensitization, awareness raising and technical training to ensure proper implementation of the ESCMF. A detailed training plan should be prepared, with regular support.

The budget for the implementation of the ESCMF throughout the project lifetime is estimated at **624,450.00** United States Dollars.

## **List of Acronyms**

AADT	Annual Average Daily Traffic
ADNAP	Fisheries National Administration
CBNRM	Community Based Natural Resources Management
CCPs	Fisheries Community Councils
CITES	Convention on International Trade in Endangered Species of Wild Fauna and Flora
CPUE	Fishing Effort through Catch per Unit Effort
EDM	National Electricity Company
ESC	Environmental, Social and Climate
ESCMF	Environmental, Social and Climate Management Framework
ESCMP	Environmental, Social and Climate Management Plan
EWS	Early Warning Systems
FPIC	Free, Prior and Informed Consent Implementation plan
FUNAE	National Energy Fund
GoM	Government of Mozambique (GoM)
GRM	Grievance Redress Mechanism
IDEPA	National Institute for Development of Fisheries and Aquaculture
IFAD	International Fund for Agriculture
IIP	National Institute of Fisheries Research
INAM	Meteorology National Institute
INAMAR	National Sea Institute
INFRAPESCA	National Institute for Fisheries Infrastructure
INGD	National Institute for Disaster Management
INIP	National Institute for Fisheries Inspection
InOM	Oceanographic Institute of Mozambique
MEF	Ministry of Economy and Finance
MIMAIP	The Ministry of Sea, Inland Waters and Fisheries
MIREME	Ministry for Mineral Resources and Energy
MOPHRH	Ministry of Public Works, Housing and Water Resources
MSME	Micro, Small and Medium Enterprises
MTA	Ministry of Transport and Communications
MTC	Ministry of Land and Environment
NSOs	Non-sovereign operations
PCBs	Polychlorinated biphenyls
PESPA II	Master Plan for Fisheries II and the Artisanal Fisheries Development Plan
PFIs	Partner Financial Institutions
PPSCs	Provincial Project Steering Committees
PRODAPE	Small-scale Aquaculture Development Project
PROPEIXE	Artisanal Fisheries Resilience Development Project
PROPESCA	Artisanal Fisheries Promotion Project
PSC	Project Steering Committee
PSCs	Project Steering committee
REFP	Rural Enterprise Financing Project
REPMAR	Maritime Fishing Regulation
SECAP	Environment and Climate Assessment Procedures
SEP	Stakeholder Engagement Plan
TAA	Targeted Adaptation Assessment
VC	Value Chain

## **1. Description of the Programme**

### **1.1 Introduction**

The Government of Mozambique (GoM) with support from IFAD, is preparing the Artisanal Fisheries Resilience Development Project (PROPEIXE) which will support artisanal fisheries by enhancing community co-management, conservation and restoration of ecosystems and biodiversity. The project will be implemented in selected fishing communities across five provinces of Mozambique and will be designed to be gender transformative, nutrition sensitive and climate focused. The Ministry of Sea, Inland Waters and Fisheries (MIMAIP) will be responsible for coordination and operational management with fiduciary and safeguard responsibilities. The total cost of PROPEIXE is estimated at US\$60 million over a seven-year period.

The IFAD Social, Environment and Climate Assessment Procedures (SECAP) require the preparation, among others, an instrument for environmental, social and climate assessment of risks and impacts generated by the set of activities and interventions of the project, namely an Environmental, Social and Climate Management Framework (ESCMF). The ESCMF is an instrument that analyses risks and impacts of the project, when it represents a program and/or a series of subprojects, and the risks and impacts cannot be determined without identifying the program or subproject.

The ESCMF will ensure that subprojects are identified, prepared and implemented in an environmentally, socially and climatically sustainable manner. It defines the principles, rules, guidelines and procedures to assess risks and impacts. It includes the environmental, social and climate screening of the proposed subprojects to identify potential risks and impacts of the subprojects, defines procedures for assessing environmental, social and climate risks and impacts, and contains mitigation measures to reduce, mitigate and/or neutralize the risks and adverse impacts, as well as information about the entities responsible for the project, including its ability to manage socio-environmental risks and impacts. The ESCMF will also contain adequate information about the area in which the subprojects are estimated to be located, including possible environmental and social vulnerabilities, and about the possible impacts and possible mitigation measures to be used, defining the necessary institutional arrangements, training and budget for the implementation of such measurements.

The ESCMF is a dynamic instrument that may be revised during project implementation to reflect adaptive management of project changes and unforeseen circumstances or in response to evaluation of project performance. In such circumstances, the GoM will agree to the changes and update the ESCMF to reflect such changes.

### **1.2 Project Description**

The PROPEIXE goal is to sustainably increase the incomes, nutrition and food security by addressing the main barriers to sustainable production and marketing for artisanal fisheries. The Project Development Objective will be to “increase the sustainability of fishery value chain returns, by promoting responsible fisheries, community conservation and restoration of ecosystems and biodiversity, while also supporting fishery community resilience through diversification of livelihoods”.

PROPEIXE will aim to achieve the impacts of sustainably increased incomes, nutrition and food security by addressing the main barriers to production and marketing for artisanal fishers. These are but not limited to limited access to support services and infrastructure, inadequate equipment for production, processing and conservation, weak mechanism for sustainable management, outdated fleet, vulnerability to climatic shocks, remote location of fishing zones, poor roads, poor market linkages and difficulties in accessing financial and insurance services.

The project will address these barriers through support to production, in the form of upgraded fishing equipment, technology and infrastructure. The project will support enterprise development and formation of mutually beneficial Public-Private-Producer Partnerships (4Ps) as a way of supporting the profitable sale of increased production. The 4Ps will also create backward linkages to further support production as well as construction of markets and market-linking climate smart and climate resilient infrastructure. PROPEIXE will also promote livelihood diversification, climate insurance, and the use of renewable energy.

### **1.3 Project Components**

#### **Component 1: Resilient Artisanal Fisheries and Ecosystem Management**

The outcome will be increased resilience of the artisanal fishery, through two main proposed outputs: Output 1: Effective fisheries management and Output 2: Increase in rehabilitated coastal habitat. Direct beneficiaries of the activities will be local fishers, fishing communities and Conselho Comunitário de Pesca (CCPs) which translates to Fisheries Community Councils.

In line with the provisions of the new Maritime Fisheries Regulation (REPMAR, 2020), which prohibits beach seining from January 2024, PROPEIXE will contribute to efforts helping fishers' transition to working with appropriate environmentally friendly fishing gear. These measures contribute to the long-term viability of fisheries and enhance their resilience to climate change impacts.

REPMAR also clarifies the path for CCPs to become legal entities, which will allow them to designate community management areas and better implement rules regulating access to marine resources. The component will strengthen CCPs to better manage fisheries and support ecosystem activities, including the restoration of degraded habitats in the mangroves (highly effective in sequestering carbon dioxide), coral reef and seagrass areas. To incentivize the conservation of mangroves, the project will support assessments on the viability of carbon markets with the possibility to pilot in future interventions

#### **Component 2: Inclusive Fisheries Climate Resilient Value Chain Development and Livelihood Diversification**

The outcome is improved economic resilience and profitability of artisanal fisheries and local livelihoods.

This result will be achieved through the implementation of interventions that lead to a better performance of artisanal fishing production, post-harvest and commercialization of fish, awareness on climate change impacts and adaptation opportunities, greater entrepreneurship capacity and access to finance; and the development of climate-resilient infrastructure, while addressing issues related to social vulnerability, financial inclusion, and nutrition and gender mainstreaming in targeted fishing communities. This will be achieved through the following: Sub Component 2.1: Sustainable entrepreneurship and livelihoods development; and Sub Component 2.2: Value chain driven and climate resilient infrastructure development.

Direct beneficiaries of the activities described below will be men, women and youth engaged in the production and post-production of fish, including service delivery. It is expected that the participation of men and women will vary; many women engage in mariculture and fish processing while most men and young men work in fishing.

The artisanal fisheries sub-sector is undergoing a transformation, from fishing in nearshore areas to open sea operations that can provide more rewarding returns to value chain (VC) participants.

Component 2 (C2) aims to accelerate this transformation, while addressing the need for livelihood diversification and the challenges associated with securing resources, climate and environmental sustainability.

This component is directly linked to Component 1 through a transition approach that will identify successfully tested sustainable fishing practices and methods and assist them to progress into viable market-oriented operations. C2 is also linked to sub-component 3.1 (SC3.1), Institutional Strengthening and Policy Support, in which the creation of an enabling policy and operational environment will be anchored.

It will integrate climate considerations into the process of livelihood diversification. Identify alternative income-generating activities that are less vulnerable to climate change impacts and support the adoption of climate-smart practices. For example, promoting enterprises that are adapted to changing weather patterns can provide sustainable alternatives to traditional fishing livelihoods.

Under SC2.1, the project will deliver Output 1: Sustainable and green fisheries enterprises developed.

### **Component 3. Institutional Strengthening, Project Management and Policy Initiatives**

The outcome will be improved public sector support for the long-term sustainable development of the artisanal fishery sector. It will have the following subcomponents: (3.1) Institutional strengthening and policy support, and (3.2) Project coordination and implementation support.

The activities under the three components have been summarised as follows;

<b>Component</b>	<b>Output</b>	<b>Activity</b>
Component 1: Resilient artisanal fisheries and ecosystem management	Effective fisheries management	Activity Set 1: action research focused on fishing trials to demonstrate improved/selective fishing methods and techniques and training of artisanal fishers  Activity Set 2: support InOM to survey and map potential areas for promotion of mariculture
	Increase in rehabilitated coastal habitat	Activity Set 3: will work with InOM in mapping out sensitive and degraded habitats with the mangroves, coral reefs and seagrass beds for rehabilitation Activity Set 4: will support INAM <sup>1</sup> in equipping a meteorological station to provide updated information to fishers and thereby strengthen the availability of suitable tools for climate resilience.
Direct beneficiaries of the activities will be local fishers, fishing communities and CCPs.		
Component 2: Inclusive fisheries climate resilient value chain development and livelihood diversification	Output 1: Sustainable and green fisheries enterprises developed.	Activity Set 1: Promote the private upscale of sustainable fisheries technologies successfully piloted under Component 1 Activity Set 2: Promote the development of sustainable fisheries enterprises Activity Set 3: Facilitation of access to financial services Activity Set 4: Alternative livelihood initiatives

<sup>1</sup> PRODAPE and PROCAVA are also working with INAM with meteorological stations and climate information systems for farmers.

	Output 1: More resilient fisheries value chain infrastructure established.	Activity Set 1: Rehabilitation, climate proofing and maintenance of feeder roads. Activity Set 2: Construction/Rehabilitation or Upgrade of Market, processing and storage facilities
Component 3. Institutional strengthening, project management and policy initiatives	Output 1: improved public sector support for the long-term sustainable development of the artisanal fishery sector	Activity 1: Institutional strengthening of IDEPA departments and delegations Activity 2: Institutional strengthening of InOM. Activity 3: Institutional strengthening of ADNAP. Activity 4: Institutional strengthening of INAMAR Activity 5: Institutional strengthening of INIP. Policy Support and Development Activity 6: Finalization of PESPA II Activity 7: Census of Artisanal Fisheries 2027 Activity 8: Organization of the fisheries co-management system Activity 9: Gender Policy in the Artisanal Fishery Sector and Action Plan Activity 10: Other particularly relevant initiatives that may contribute to support the Sea, Inland Waters and Fisheries
		Project coordination and implementation support

#### 1.4 Rationale for PROPEIXE

The Project is aligned with the Government's Five-Year Program (PQG, 2020-2024) whose objective is to improve the well-being and the quality of life of Mozambican families, in reducing gender, social inequalities and poverty, in creating an environment of peace, harmony and tranquillity, with a strong stimulus in job creation and marketing, particularly in agriculture, forestry, fisheries, biodiversity and tourism. It is also aligned with (i) National Development Strategy (END 2015- 2035) which highlights the sustainable development of artisanal and commercial fisheries as key for food and nutritional security, job creation and income for the poor households, particularly for the coastal communities vulnerable to climate change; (ii) the Fisheries Master Plan II (PDP-II); (iii) the Strategic Plan for the Artisanal Fisheries sub-sector (PESPA); (iv) the Sea Policy and Strategy; the Maritime Fishing Regulation (REPMAR); among others.

Small-scale fisheries value chain is important for livelihoods of coastal communities worldwide and in Mozambique in particular due to the country's 2,700km coastline in which over 66% of the population live. Of the total fish production, 90% is caught by artisanal fishers, many of which are poor and use the fish primarily for subsistence. The artisanal fisheries sector is also responsible for millions of employment opportunities, for youth and women in particular in the post-harvest handling, processing, selling fresh fish, packaging and marketing. The artisanal fisheries contribute significantly to the country's food security and nutrition and for the overall food systems, and is responsible for the 50% of the country's daily protein.

PROPEIXE will complement other government initiatives funded by various development partners such as the World Bank, UNOPS, WWF, RARE and European Union. The programmes are supporting interventions that focuses on improving social and economic resilience of local communities as well as supporting small agriculture and fisheries producers to increase their productivity and access to



markets and help MSMEs improve their sales while promoting the adoption of climate-smart production practices.

The project will form part of the on-going portfolio which consists of three projects: i) Inclusive Agri-food Value Chain Development Programme (PROCAVA); ii) Small-scale Aquaculture Development Project (PRODAPE) and iii) Rural Enterprise Financing Project (REFF). The current portfolio is supported by six regional and country grants, and a Non-Sovereign Operation. PROPEIXE will build on lessons from these, plus closed projects including the Sofala Bank Artisanal Fisheries Project (PPABAS) and Artisanal Fisheries Promotion Project (PROPEXCA).

## **1.5 Targeting**

The artisanal fisheries interventions will cover fishing communities along the coastline, targeting mainly households who are poor and on the fringes of the market economy, with high vulnerability due to the impact of climate change. The main target group consists of small-scale fishers engaged in artisanal fishery (production level) and other sector along the value chain (e.g., processing, marketing and service provision) deriving most of their income from fish production and post-production at different scale, from subsistence to market oriented. The project will also target community organizations and businesses including transformation drivers. In addition, the project will have a focus to target specific vulnerable groups such as women, youth, Persons with Disability (PWD) and also Internally Displaced People (IDPs) in the Northern Provinces.

The geographic area covers five provinces: Inhambane, Sofala, Zambézia, Nampula and Cabo Delgado and a total number of 21 districts. The provinces, districts, and fishing growth poles have been selected based on the following criteria: (i) conditions and potential of fishing resources (including data on number of fishers; percentage of production; number of boats and gears)<sup>2</sup>; (ii) socio-economic (poverty and food insecurity rates)<sup>3</sup>; (iii) Habitats diversity and environmental challenges (highly affected ecosystems); (iv) areas most affected by climatic shocks<sup>4</sup>. Other elements taken into account were proximity for project implementation and presence of other interventions to create synergies and maximize the impact.

Operating in the North of Mozambique will require constant monitoring of the security situation. At the start of implementation, the accessibility to the districts and the security situation will be reviewed by implementing partners in collaboration with UNDSS and relevant agencies to make the final determination of the project area.

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<sup>2</sup> Preliminary fishery artisanal census results (IDEPA).

<sup>3</sup> Data from the statistic institute INE (last available 2016) and IPC publication (2022);

<sup>4</sup> On the basis of data and information (quantitative and qualitative) a ranking exercise has been conducted during the design process to properly weight variables and identify priority districts for project intervention.

## Map of Project Areas



The designations employed and the presentation of the material in this map do not imply the expression of any opinion whatsoever on the part of IFAD concerning the delimitation of the frontiers or boundaries, or the authorities thereof.

Map compiled by IFAD | 28-06-2023

## 1.6 Theory of change

The project will address key challenges for the artisanal fisheries sector and artisanal fisheries communities such as: the degradation of natural resources and its negative impact on fisheries stocks; low profitability of the fishing activity due to inefficiencies and value chain fragmentation, as well as low food quality and safety standards; inadequate contribution of fish to balanced diets combined with poor dietary knowledge and practices, mobility of youth away from the sector and invisibility of women’s contribution to production and post-harvest activities, vulnerability of value chain infrastructure due to climate impacts, and the need to strengthen the capacity of relevant Government institutions in the delivery of last mile services.

## 1.7 Project Costs

The total PROPEIXE incremental investment and recurrent costs, including price and physical contingencies over a seven years implementation period are estimated at US\$63.3 million. This includes base costs of US\$63.4 million and estimated price and physical contingencies of US\$1.04

million. Investment costs have been estimated at US\$56.0 million (90% of base costs) with recurrent costs at US\$6.1 million (10percent of base costs).

## **1.8 Institutional Arrangements**

The Ministry of Sea, Inland Waters and Fisheries (MIMAIP) is the organ of the Government responsible for the fisheries sector. As such, it will be responsible for policy and legislative initiatives, for promoting any institutional adjustments in the fisheries administration and for overseeing the project. Nevertheless, the coordination and management of the project will be delegated to the IDEPA which will assign to a Project Management Unit (PMU) the responsibilities of programming, budgeting, and allocation of resources, monitoring and providing information for the evaluation of the project. The central departments of IDEPA will need to ensure that the project implementation reflects the objectives defined by the Government for the sector. The implementation will be carried out in conjunction with the IDEPA's provincial delegations in the provinces where the activities take place. In addition, the MIMAIP will coordinate with other government agencies that participate in the implementation of the project.

The PMU will be established and composed of the following key positions: Project Coordinator, Financial Manager, Procurement Officer, M&E Officer, Social Inclusion Officer and KM Officer. The PMU will also include the assistants, and support staff (administrative assistant and drivers). Apart from these officers, a team of four technical specialists and INFRAPESCA, composed by the following positions: Environment and Climate Change Technical Specialist, and Fisheries Technology Specialist, VC and Marketing Specialist, that will be incorporated in the different IDEPA Departments, and Rural Infrastructure Technical Specialist, to be based in INFRAPESCA. This technical team will combine support for implementation of project activities with training/capacity building for the different IDEPA departments and INFRAPESCA.

To facilitate PROPEIXE's effective management and coordination across the provinces, the project will use the existing capacity of the IDEPA, ADNAP, INAMAR, INIP and InOM provincial delegations to reach out to district level and local beneficiaries. The PMU will be responsible for the day-to-day management and supervision of the project, under the leadership of a Project Coordinator.

A Project Steering Committee (PSC) will be established to provide the oversight function chaired by the Permanent Secretary of the Ministry of Sea, Inland Waters and Fisheries and composed of members from institutions with direct relevance for the achievement of PROPEIXE objectives within MIMAIP and other sectors (e.g., MEF, MOPHRH, MIREME, MTC, MTA, etc.) and representatives of the fishermen/women (CCPs), and the private sector (CTA). Provincial PSCs (PPSCs) will be established; they will be led by the Provincial Governor and their composition and tasks will mirror those of the PSC.

In addition to these institutions, the project has partnerships with institutions from other sectors of the state administration, which play an important role in the pursuit of the project's objectives: (i) ANE, for the implementation of road rehabilitation activities that connect the centers of fishing to the remaining district network from which they connect with the destination markets for fishery products, and (ii) the EDM that implements the activities of extending the national public network to fishing centers and fishing communities, and (iii) the FUNAE that installs energy production systems in fishing infrastructures located in remote places. In addition, INAM will support the EWS and INGD the communities' preparedness and disaster management.

## **1.9 Exit Strategy and Sustainability**

PROPEIXE sustainability is based on its alignment with national priorities and support for national institutions under Component 3. PROPEIXE would be integrated and implemented within fisheries institutions through a decentralized structure, thus IDEPA capacity at local level will be strengthened to ensure long-term sustainability of interventions through systemic improvements of service delivery on the ground.

Further to this, other key sustainability approaches deployed in PROPEIXE are:

- Private sector- led value chain interventions approaches that focus on creating financially viable models for local MSME growth and linkages between market players to ensure demand-based investment rational.
- Piloting of PPP models for infrastructure management as part of a strategy to provide long-term sustainability of the operations and services.
- Climate proofing of infrastructure as part of the public investment in sector resilience.
- Building the capacity of women and youth to engage proactively in sustainable resource use and management and the development of green alternative livelihoods and sustainable fishery related businesses.
- Strengthening the capacity of local institutions such as CCPs to pro-actively manage the fishery resources and ensure their sustainability.

The project builds synergies, with other IFAD interventions, as well as a variety of donor investments such as ILO, WB, EU, Norway and Sweden that promotes synergies in interventions and a consolidation of sector impacts.

Finally, the natural resource and ecosystem conservation interventions will contribute towards the long-term fishery resource sustainability and resilience of the coastal fishery livelihoods.

## **1.10 Objectives and Preparation of the ESCMF**

The focus of the assignment is to highlight the potential adverse environmental, climate and social impacts for the planned fishery activities, and recommend a management plan for addressing the impacts. The strategy involved consultations with the various stakeholders to take on board views from a cross section of people, at least from local level (CCPs), district level, and central government level. The strategies for executing this assignment followed the following five steps:

- Review current conditions of the existing fishery activities, and provide an assessment of their status and operation levels;
- Review of typical implementation approach and processes for the proposed activities within the artisanal fishery sector;
- Identification and analysis of potential environmental, climate and social impacts that are likely to be triggered and/or generated during the implementation processes within and around the proposed activities;
- Development of a screening process for negative impacts for proposed programme sites and activities;
- Identification of appropriate mitigation measures for the predicted impacts and compilation of a management plan for addressing environmental, climate and social impacts during implementation, operation and maintenance of the programme activities.

In general, the study was then prepared in accordance with applicable IFAD's SECAP and related policy documents and the GoM environmental impact assessment guidelines. The distinct phases of the study were as follows:

Stage 1	Stage 2	Stage 3
<b>Literature Review</b> <b>Stakeholder Consultations</b> <b>Reconnaissance Surveys</b> <b>and visits to potential sub-projects sites</b>	Characterization of bio-physical and socio-cultural baseline conditions Identification of potential impacts Identification of impact mitigation measures Preparation of an Environmental, Social and Climate Management Framework (ESCMF)	Preparation of additional sub-project management guidelines (TAA, SEP, GRM)

**(i) Field Surveys**

The consultant undertook site investigations and field surveys in two Inhambane Province’s districts between 28th May and 3rd June, 2022. The consultant, with the support from the MIMAIP and IFAD Country Office visited Govuro and Inhassoro districts to have an appreciation of the fisheries value chains along the coast and also to see some of the developments that were done by IFAD funded projects. The field surveys enabled the consultant to identify the environmental and social setting of the fisheries sector, identify some of the existing physical conditions and gaps within the sites. In addition, the site visits allowed consultations with district delegations, ground level staff (Extension staff) and fish producers on their perceptions of the current successes, challenges, as well as the potential impacts of the proposed programme.

**(ii) Stakeholder Consultations**

To ensure that potential environmental and social impacts are identified and ultimately adequately addressed, stakeholder consultation was conducted for the purposes of developing this ESCMF and then a stakeholder consultation process was established for this ESCMF to enable continuous and effective consultations throughout the project lifetime and post project era. Stakeholder consultation process involves identifying the concerned/affected stakeholders, soliciting their views, and continuously checking if their views are being taken care of as the project implementation progresses.

The ESCMF emphasises the need for continuous consultations with stakeholders throughout the programme cycle to achieve successful implementation and monitoring. The Project Management Unit (PMU) will have the responsibility to effectively engage stakeholders in achieving the project objectives. A Stakeholder Engagement Plan (SEP) was developed for this project. This is aimed at ensuring that the stakeholder engagement process is maintained throughout the project life. The SEP also includes a Grievance Redress Mechanism (GRM). The GRM will be a system by which queries or clarifications about the project will be responded to, problems with implementation will be resolved, and complaints and grievances will be addressed efficiently and effectively. The GRM was developed from what is generally being practiced in the country and in the sector. It will mainly serve the purpose of responding to the needs of beneficiaries and addressing and resolving their grievances.

**(iii) ESCMF Compilation**

This ESCMF report was developed in accordance with IFAD’s Social Environment and Climate Assessment Procedures (SECAP) as well as IFAD’s Environment and Natural Resources Management Policy, the Gender Equality and Women’s Empowerment, and Targeting policies. The report also considered relevant environmental and social laws, policies, regulations and guidelines of Mozambique.

**(iv) Disclosure of ESCMF**

IFAD's Policy on the Disclosure of Documents requires full disclosure to the public. This ESCMF will therefore be disclosed on IFAD's official website (<https://ifad.org>). In addition, the ESCMF will be disclosed on ministry's official website, so that all stakeholders are able to access the document.

**(v) ESCMF Implementation**

The environmental, social and climate safeguards and issues of the project will be run by an Environmental Safeguards Specialist (ESS) and a Gender and Social Inclusion Specialist, who will be based at the National PMU and will be supported by the MIMAIP interdepartmental team and the other participating government departments and quasi-government agencies in the five (5) Provinces and 21 Districts (Refer to SEP for detailed Stakeholder Mapping).

At PMU Head office, the Environmental, Social and Climate Safeguards Specialists will focus on the planning, supervision, reporting and will provide support to Provincial and District Technical delegations.

At each Provincial/District office the IDEPA will support Provincial/District project implementation activities and facilitate the communication with the central PMU. They will coordinate all Environmental, Social and Climate Safeguard issues and oversee the implementation of the ESCMF and GRM under the oversight of the Environmental, Social and Climate Safeguards Specialists.

The Provincial/District MIMAIP interdepartmental team Led by the IDEPA with technical assistance from MITA will help the subprojects in preparing their sub-projects applications to avoid or minimize adverse environmental and social impacts. The interdepartmental teams will assist to screen the sub-projects and develop site specific ESCMPs for the sub-projects. For screening, they will use the Environmental, Social and Climate screening form together with information on typical sub-project impacts and mitigation measures.

**(vi) Subprojects Not Eligible for Financing**

IFAD will not knowingly finance, directly or indirectly, projects involving the following:<sup>5</sup>

- i. Production or activities involving harmful or exploitative forms of forced labour, or practices which prevent employees from lawfully exercising their rights of association and collective bargaining
- ii. Production or activities involving harmful or exploitative forms of child labour
- iii. Production or activities that impinge on the lands owned, or claimed under adjudication, by indigenous peoples, without full documented consent of such peoples
- iv. Activities prohibited by host-country legislation or international conventions relating to the protection of biodiversity resources, cultural heritage or other legally protected areas
- v. The production, trade in or use of any product or activity deemed illegal under host country (i.e., national) laws or regulations, international conventions and agreements, or subject to international phase-out or bans, such as:
  - a. Products containing polychlorinated biphenyls (PCBs)
  - b. Pharmaceuticals, pesticides, herbicides and other hazardous substances subject to international phase-outs or bans
  - c. Ozone-depleting substances subject to international phase-outs regulated by the Montreal Protocol
  - d. Wildlife products regulated under the Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES) and
  - e. Transboundary trade in waste or waste products, as defined by the Basel Convention;

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<sup>5</sup> Full exclusion list [International Fund for Agricultural Development \(ifad.org\)](https://ifad.org)

- vi. Commercial logging operations or the purchase of logging equipment for use in primary tropical moist forests or old-growth forests;
- vii. Production or trade in wood or other forestry products other than from sustainably managed forests;
- viii. Marine and coastal fishing practices such as blast fishing, large-scale pelagic drift net fishing using nets in excess of 2.5 km in length or fine mesh net fishing harmful to vulnerable and protected species in large numbers and damaging to marine biodiversity and habitats;
- ix. Trade in goods without required export or import licenses or other evidence of authorization
- x. Activities prohibited by host country legislation or other legally binding agreements regarding genetically modified organisms (GMOs)

## 2. Beneficiary Baseline

### 2.1 Socio-Economic Background

Mozambique has a total population of 32 million inhabitants of which 51% are women and the majority 62% live in rural areas<sup>6</sup>. The distribution by age group is about 45% for 0-14 years, 52% for 15-64 years and 3% for over 64 years. According to projections, the Mozambican population may exceed 50 million inhabitants by 2050 with current annual growth rate of 2.8%. The language adopted as official is Portuguese, inherited from Portugal, the colonizing country from which Mozambique became independent on June 25, 1975 and out of more than 40 languages, the most widely spoken national languages include KiSwahili, EMakhuwa, CiSena, XiNdau, XiTsonga, XiTchope, Guitonga, CiNyungwe, EChwabo, EKoti, ELomwe, CiNyanja, CiYao, XiMakonde and KiMwane. Adult literacy level is at 63.4%.

PROPEIXE project will be implemented in the coastal rural areas of five provinces of Mozambique which are Inhambane, Sofala, Zambézia, Nampula and Cabo Delgado and a total number of 21 districts (table 1). Mozambique occupies an area of 800,000 km<sup>2</sup> stretching almost 2,000 km from north to south, with around 2,700 km of coastline along the south-western edge of the Indian Ocean with an approximate total number of 32,08million inhabitants<sup>7</sup>.

**Table 1: Project Implementation Areas**

Province	Districts	Target Population
Inhambane	Govuro, Inhassoro, Vilankulo	1,581.113
Sofala	Buzi, Machanga, Muanza	2,651.029
Zambezia	Chinde, Maganja da costa, Mocubela, Pebane, Quelimane	5,959.123
Nampula	Angoche, Ilha de M., Memba, Moma, Mossuril	6,599.812
Cabo Delgado	Cidade de pemba, Metuge, Quissinga, Mocimaba. Praia	2,744.822

*A detailed inventory of settlements within the Project Area will be undertaken as part of the socio-economic study for the ESIA/ESMP Phase*

Despite the fact that Mozambique ranks among the poorest countries in the world, it is endowed with diverse natural resources, which include some of the most fertile soils, forest and water resources which accommodate diverse species of flora, fauna and fish resources. However, these resources are currently challenged by complex interaction of several factors which include the rapid rate of population growth of about 2.91% per annum, increasing weather and climatic extreme events, poorly performing economy, debts and armed conflicts among other issues. About 64% and 82% of the population live below the international poverty line of USD1.90 and USD3.20 per day, respectively. The high GDP growth trajectory witnessed in 2015 (7.9%) has been going down ever since and was worsened in 2019 (3.3%) due to Covid-19 pandemic. This imposes intensive pressure on natural resources' utilisation, leading to unsustainable land use, depletion of forest resources, and loss of biodiversity, heavy soil erosion and water pollution.

Development in Mozambique has not been holistic and has not resulted in a broad reduction in poverty. 73% of the population in Mozambique is considered multi-dimensionally poor while an

<sup>6</sup> INE, 2023 (<https://www.ine.gov.mz/en/web/guest/inicio>)

<sup>7</sup> <http://datatopics.worldbank.org/world-development-indicators>



additional 13% is classified as vulnerable to multidimensional poverty (a measure of the state of health, education and standard of living)<sup>8</sup>.

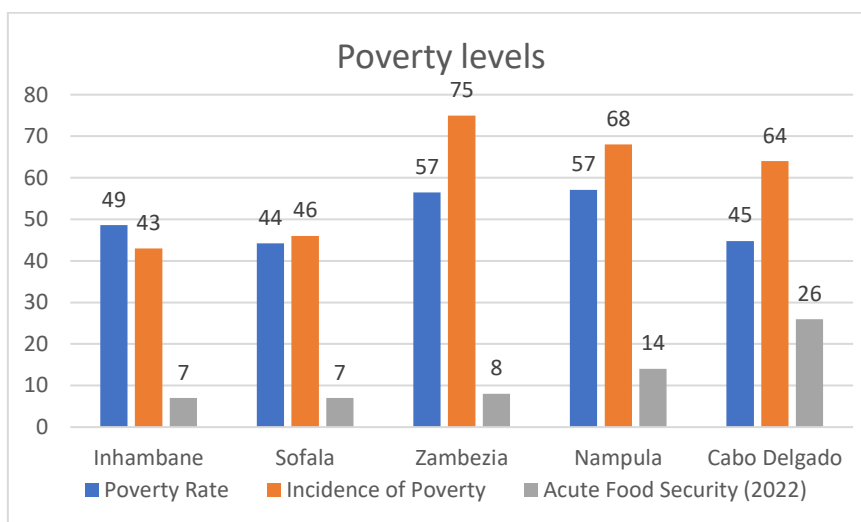


Figure 1: Poverty outlook

There is also a clear distinction between the southern and northern regions of the country, which recorded multidimensional poverty rates of 19% and 68%, respectively (MEF/DEEF, 2016). The most populous provinces Zambézia and Nampula have the worst education and health outcomes and in general, the central/northern provinces have worse infrastructure, higher levels of environmental degradation (and hence higher degree of vulnerability), and less economic activity than the south. While the aspects of economic activity could possibly be explained by the Maputo province and its proximity to South Africa (being the economic center of the country with higher access to capital, skills and markets), the differences in spending and service delivery could possibly be explained by political reasons. The most populous provinces Zambézia and Nampula are the poorest ones (together with Niassa) and they receive the least amount of public spending with the lowest social transfers per capita<sup>9</sup>.

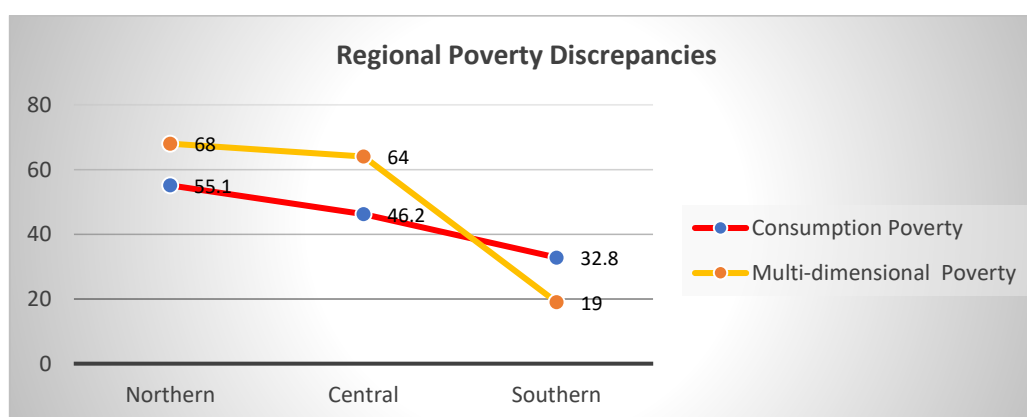


Figure 2: Poverty Discrepancies (source: MEF/DEEF, 2016)

<sup>8</sup> UNDP, OPHI (Oxford Poverty and Human Development Initiative), 2022.

<sup>9</sup> Mozambique Multidimensional Poverty Analysis Status and Trends, 2019

## **2.2 Rural Areas**

Poverty is more prevalent in rural Mozambique, with women and vulnerable groups (households headed by women, the elderly, children and people with disabilities) being the hardest hit. In many parts of Mozambique, a vicious cycle made of natural conditions, lack of capital and adequate financial services, production technologies and services responsible for development and dissemination of such technologies, poor marketing systems and other factors that define the environment in which local economic activities are carried out, explain the prevalence of the subsistence economy. The rural economy is based on direct and integrated exploitation of natural resources, with very little transformation. Plant and animal production, forests and fisheries are integrated in a single economic system of multiple relationships. These are combined to guarantee the survival of the individuals, the families and the communities.

Notwithstanding the weight of other sectors in the family economy, agriculture tends to be the dominant economic activity, followed by fisheries. Most people living in poverty rely on agriculture and fisheries with 70% of the people employed in agriculture (and many more dependent on its production) and approximately 60% of the poor in the country living in coastal zones. Agriculture is practiced on less than 10% of the arable land and largely in flood and/or drought-prone areas.

The weak development and high levels of poverty result from the lack of rural investments and infrastructure by the government, associated with the low productivity of the agricultural sector, the weak co-management of the Conservation Areas, weak implementation of artisanal fishing monitoring programs, as well as the low licensing fee for artisanal fishermen, which negatively contributes to the economic resilience prospects of local communities who live along the Mozambican coast, the poor access of women and youth to economic opportunities and political platforms due to low levels of education and practices/issues that disadvantage women.

## **2.3 State of the Environment**

Mozambique is characterized by a variety of terrestrial, marine and freshwater ecosystems, which contain a great diversity of species (flora and fauna). Some of these ecosystems are of great global importance for biodiversity conservation. Particular focus is given to species of migratory birds that depend on wetlands. The agricultural and livestock ecosystems are as well diverse and supported by a variety of agro-ecological regions.

The country has 32 million hectares of natural forests, covering 40% of its area. The predominant forest ecosystem is the miombo, covering approximately two thirds of the total forest area. Other forest ecosystem types include internationally recognized biodiversity hotspots such as the coastal forests in the south, afro-montane forests in central Mozambique, and coastal dry forests in the north; and the second-largest area of mangrove in Africa.

Although Mozambique's forests have tremendous value and unrealized potential, they are being rapidly depleted. Due to a high deforestation rate (currently 0,8 %/annually) the forested land has been rapidly reduced during the last 25 years. From 2001 to 2021, Mozambique lost 3.80Mha of tree cover, equivalent to a 13% decrease in tree cover since 2000, and 1.36Gt of CO<sub>2</sub> emissions. Forest loss diminishes biodiversity as well as the country's potential for nature-based tourism. The drivers of deforestation are mainly unsustainable agriculture practices as well as exploitation of timber and fuelwoods (charcoal and firewood).

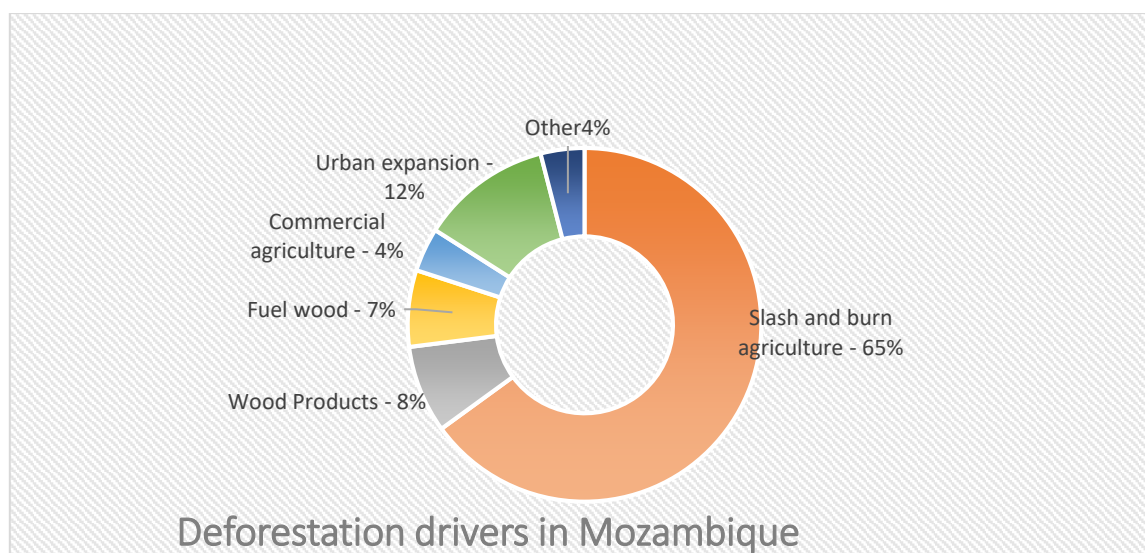


Figure 3: Deforestation Drivers<sup>10</sup>

The use of fuelwood for cooking is also negatively affecting the health status especially for women, girls, boys and elders, and will only on long term be substituted by other energy sources. The process of deforestation has a direct negative impact on economic value of native forests as well as the conservation of biodiversity.

Other pressing environmental issues are land degradation and overfishing. Notwithstanding all the interests and commitments to protect special areas including the coastal areas in general, the country faces a series of challenges to translate these into tangible results. Among other aspects the following seem to take central stage:

- Extreme poverty: which explains that most of the people living in coastal areas depend largely on subsistence/traditional economy and rely excessively on natural resources (land, water, fuel wood, fauna, etc.) to make their living and at the same time apply poor management systems and practices to these resources
- Land use planning: land use planning is recent in Mozambique and most of the existing plans are not yet being systematically implemented. Interventions continue to be seen on case-by-case basis. Strategic Environmental Assessment (SEA) has been seldom applied.
- Institutional weaknesses: result in poor communication among the various stakeholders and translate into inadequate staffing and poor law enforcement and open door for crime, theft, poaching and vandalism in certain communities. Compliance with general rules is usually low or variable, largely due to lack of effective inspection and adequate communication and engagement with local people.
- Discrepancies between modern and traditional management and communication systems as officials have to continuously find ways of accommodating and assimilating traditional uses and indigenous knowledge systems into modern principles. Clearly there are two worlds that need to find ways of harmoniously working together.

These aspects translate into a threat to the conservation of biodiversity in conservation and protected areas and need to be continuously managed through constructive engagement with local people in

<sup>10</sup> Source: Mozambique's FREL for Reducing Emissions from Deforestation in Natural Forests, MITADER (2018)

aspects such as capacity building, institutional strengthening, identification and improvement of opportunities, demonstration of sustainable and alternative ways of using local resources.

## **2.4 Fisheries and Poverty Reduction**

An estimated 65,600 people were reported as engaged in fisheries with a significant number of women employed in the value chain (FAO, 2016)<sup>11</sup>. The fisheries sector contributes significantly directly and indirectly to poverty alleviation and socioeconomic development in general. At around 4%, the direct contribution of the sector to the GDP might be moderate, but it has a considerable weight in food security and particularly access to animal protein (which is 50% of animal protein consumed in the country) by a significant proportion of the country's population in rural and urban areas. About 20% of the population relies on fisheries for part of their income and a larger proportion relies on fishing for subsistence and food security.

Of the close to 150,000 tons of annual marine catches, 91% are in the hands of artisanal fishing, 2% semi-industrial for local consumption, and 7% industrial fishing. The industrial catch, consisting mostly of crustaceans for export, represents about 52% of the total value, while artisanal fishing is around 42%, and the remaining 6% comes from semi-industrial fishing.

Despite the efforts by Mozambican fisheries authorities to support small-scale fishers, the sector continues to face numerous challenges. Data on the status of fish stocks targeted by the small-scale sector is scarce, however, fishers themselves acknowledge that catches have declined considerably in recent years. Stocks are threatened by overfishing and illegal fishing practices, but factors such as pollution, poor land use management practices and climate change also pose significant threats. Co-management committees, known as Conselho Comunitário de Pesca (CCPs), have been established at 600 landing sites along Mozambique's coastline and these have played a central role in reducing some of the most damaging fishing practices. CCPs will be required to play an ever-greater role in managing fishing pressure and addressing illegal fishing practices in the small-scale sector although they have cited difficulties in terms of support from fisheries officials.

Notwithstanding the potential of the activity, fishing communities are among the most vulnerable, isolated and marginalized. Some of them are landless and situated in the front line of climate change, subject to flooding, erosion, changes in fish resource distribution, extreme weather events and sea-level rise.

## **2.5 Agriculture and Poverty reduction**

The majority of the local population practices 'rain fed, slash and burn' shifting agriculture and the most common crops grown are sorghum, millet, peanuts, beans, cassava and maize. Agriculture is mainly practised on small plots (machambas) not more than 1.8 hectares per HH mainly for subsistence, but any surplus is sold to provide a source of income. Cultivation is primarily undertaken using hoes and virtually no external inputs, such as improved seed, fertilizers and chemicals are used. Given the low fertility soils, inadequate farming inputs, recurring cyclones and droughts and long periods of drought in some areas, the communities are facing cyclical food security problems.

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<sup>11</sup> Update figures will be provided after the release of the latest fishery census ongoing

## **2.6 Alternative Economic Activities**

Besides cropping, households carry out various activities that contribute to household income and which may play a central role in the livelihood strategies of these families during difficult times as follows;

- Creation of reed and wood products in the coastal areas
- Livestock rearing and bushmeat hunting
- Fishing along the coast and in rivers and lakes in the interior
- Harvesting and sale of homegrown/forest products (fruit, honey, medicinal plants, timber poles, etc.)
- Production of charcoal and firewood, which are mainly sold along road sides
- Artisanal production of stone for construction and harvesting thatching grass
- Manufacture of traditional beverages (e.g., palm wine) and
- Provision of temporary labour (Ganho-Ganho)

## **2.7 Food Security and Nutrition**

It is estimated that nearly 1.9 million people in Mozambique are facing high levels of acute food insecurity. It is also estimated that 8.2 million people reported insufficient food consumption and the majority of Mozambican (80%) are unable to afford a healthy diet (WFP, 2021). Food insecurity remains a major issue for people living in rural areas where more than half of all households live below the poverty line. Moreover, agriculture production at the household level is often not sufficient to maintain food security.

Mozambique experiences a high rate of chronic malnutrition and acute malnutrition. Chronic malnutrition in children under 5 years of age is currently estimated to be at 42% at the national level<sup>12</sup> with the northern region being the most affected (Fig. 2 below). Malnutrition impacts negatively especially on people with chronic diseases and pregnant mothers. Children with malnutrition face reduced cognitive capacity, which leads to poor school performance and low economic productivity throughout their lifetime. Limited access to nutritious food, lack of adequate knowledge, lack of diversity in food production are the main cause of malnutrition in the country.

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<sup>12</sup>Food and Nutrition Technical Assistance III Project (FANTA), 2018

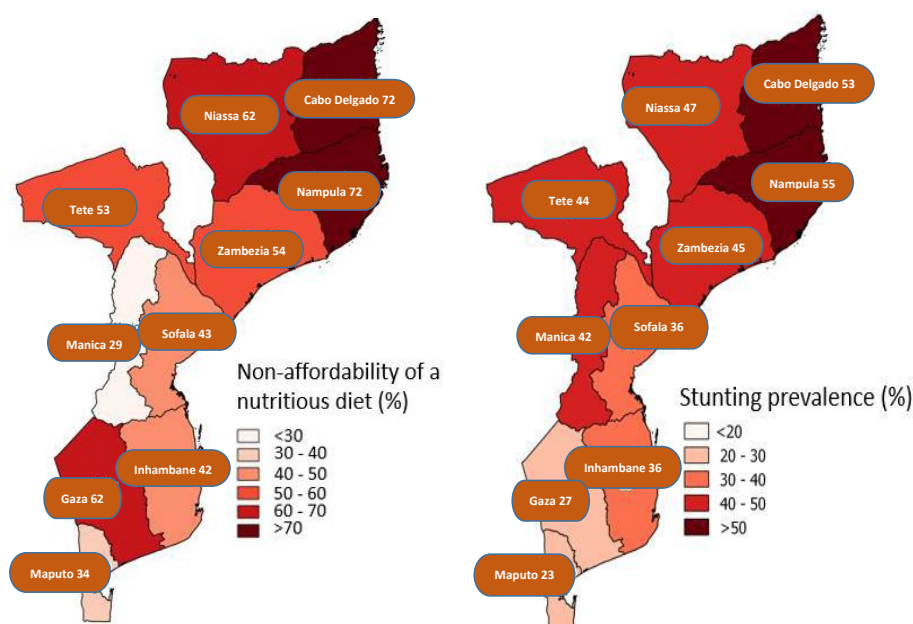


Figure 4: non-affordability of nutritious diets and stunting (source: WFP, 2018)

## 2.8 Wild Fires

The intricate traditional balance between humans and fire as a tool for agriculture, hunting, charcoal production and woodland management, has been upset in Mozambique in recent decades due to population growth, conflict and a breakdown in traditional management practices. The result has been a perceived rise in the number of wildfires affecting rural communities and an associated increase in crop and property damage, as well as the loss of human lives (Hoffman et al., 2008). Niassa province in the North shows the highest average values of fire occurrences, followed by Tete and Zambezia provinces in the Centre. Manica and Sofala provinces in the Centre show significant spatial repetition, increasing the risk of irreversible loss of natural ecosystem and biodiversity.

## 2.9 Coastal and Marine Resources

Mozambique is situated in the Southern and Eastern Africa and the Western Indian Ocean. This is an area with considerable diversity, i.e. culturally, politically and ecologically. The region consists of the mainland states of Somalia, Kenya, Tanzania, Mozambique and South Africa. Coastal communities in Mozambique and other countries in the region rely on a wide variety of plant and animal resources for their livelihood. Tree resources are used for house building, boat construction, fencing, fruits, wine-brewing, foodstuffs and medicinal plants while animal products are used to supplement diet and mainly provide animal protein and to generate cash through various forms of commercial exploitation of these products. The more than 2,700 km of Mozambique's coastline occupied by more than 60% of the country's population comprise fragile eco-systems (beaches, humid zones, estuaries, lagoons, coral reefs, rocky coasts, mangroves and other areas with high biodiversity). They are also characterized by numerous and sometimes conflicting interests (principal coastal cities and towns, traditional and semi-industrial fishing, industry, tourist developments,

Given the importance of the coastal and marine areas and resources the country's entire coastal line is under a series of measures to protect and conserve the marine and coastal environment, particularly in terms of preventing and combating pollution and the protection of the regions' flora and fauna

against the growing threats caused by many human activities including fisheries, navigation, tourism, urban and industrial development, etc. Efforts have been underway to harmonize the interests of a series of stakeholders including local communities with the ultimate goals of protection and preservation of recognized special areas and living species. Particular importance is being given to the Community Based Natural Resources Management (CBNRM) in partnership with the public and private sector. Among other the ratification, by the GOM, of the Convention on the Protection, Management and Development of Marine and Coastal Environment in East Africa (Resolution nº 17/96, of 26 of November) embodies this commitment

The Fisheries Law (1990), establishes the basic Fisheries legislation to be applied in Mozambique, and classifies fishing activities according to the purpose of the fishing activity. In 2009, the Ministry of Fisheries identified six subsectors with important roles in the development of fisheries in Mozambique in a 'Master Plan for the Fisheries Sector (2010-2019) as follows;

- Small-Scale Fishing (also known as artisanal fishing)
- Semi-Industrial Fishing
- Industrial Fishing
- Industrial Aquaculture
- Small scale Aquaculture and
- Processing

The services of the Fisheries Administration (ADNAP) at central and provincial level have a key role in the fisheries management process, for example in the licensing, supervision and management of resources. In the fisheries sector important resources management in the coastal areas comprise, among other aspects:

- Period of closure for industrial and semi-industrial fishing which changes from zone to zone. For artisanal fishing the closure period is restricted to only 1 month, usually in January. The other fishing gear such as gillnets and fishing line, are not subject to this measure.
- Minimum mesh size permitted is 38mm. However, for conservation fisheries resources and fisheries management reasons, the mesh size can be changed (extended) for each fishing area.
- Preservation of endangered species. Catches are not allowed to mammals and sea turtles, rare or endangered species and other internationally protected species and of interest to the investigation. These species once captured should be according to the law, released back to the sea.

In addition to these general rules, specific local rules may be established at the provincial level, which may include limiting the number of gear, or gear type allowed in a particular area or period. These verifications are, however, rarely exercised. Similarly, compliance with general rules on closure and mesh is usually low or variable, largely due to lack of effective inspection and enforcement.

The fisheries research is done by the National Institute of Fisheries Research (IIP), which is also represented at provincial level. IIP recommends management measures to the Fisheries Administration. However, to date, the level of formalized advice on tactical planning of artisanal resources has been quite modest compared to industrial fisheries which are under a strict control production targets (quotas) regime. This contrast is due, in part, to the short history of routine monitoring of artisanal resources, and the dispersed nature of these fisheries.

The general regulations for small scale fishing also include intervention in the management process by users of fishery resources (local fishing community), provided they are integrated into community-based organizations which are the CCPs. However, the efficiency and dynamism of these organizations varies from region to region. As regards the surface gillnet, it is also recommended to reduce fishing pressure by improving the selectivity of net and/or the identification of periods/areas suitable for the

major species caught off-season. Actions should include review of mesh and frame coefficients of the net in order to adjust them.

## **2.10 Small-Scale (Artisanal) Fishing**

In Mozambique, as elsewhere on the continent, small-scale fisheries are a crucial component of the rural economy, supporting food security and livelihoods. These fisheries, however, face a range of pressures arising both from dynamics within the sector itself, such as overfishing and illegal fishing, as well as external forces related to the development of other sectors of the economy and geophysical changes associated with climate change. Although governance efforts related to small-scale fisheries have tended to focus on strengthening fishers' access to markets, credit and improved fishing technologies, the emergent challenges facing the sector in a modernising economy such as Mozambique require greater focus on ensuring the sustainability of fish stocks targeted by small-scale fishers and strengthening the resilience of small-scale fishing communities.

Small-scale and artisanal fisheries represents close to 80% of the total marine catches. Artisanal fisheries estimated at +/-100,000 fishermen and fish collectors per year<sup>13</sup> consist of individuals or small groups of fishermen with very weak economic power. They are grouped in villages, called fishing centres, some of which are temporary and can only be accessed with difficulty. The artisanal fishermen in Mozambique use diverse gear including bottom trawls, seine nets, gill nets, traps, spears and hook and line. They make use of non-motoric fishing vessels/boats of around 3-8m in length with simple means of propulsion and with less than 24 hours at a time (per trip) spent at sea. Fish collectors and divers are yet other important ways of practicing this activity. It is estimated that the number of fishing boats and canoes reach approximately 15,000, of which only 3% are equipped with engines. Most of the marine artisanal activities take place along the entire coastline. Fishing mainly takes place from the early morning to lunchtime except on Sundays, public holidays, days of mourning or in bad weather. Catches are used for both subsistence and for cash income.

There is large proportion of women and children involved mainly in fish collection, processing and commercialization. Thus, the artisanal fisheries contribute significantly to food security and nutritional needs of coastal communities in Mozambique. Fish processing involves drying, salt drying, smoking, freezing, and resale of fresh fish within the local areas but also to major towns and cities. The socioeconomic baseline study as part of the ESIA will provide more recent data on fishing gear used in the project areas and more detail on fish processing and resale. Despite being known to occur, little is known about mangrove and estuarine artisanal fisheries and this will be investigated in the ESIA Phase.

### **Common Fishing Gears used by Artisanal fisheries**

- Hook and Line Fishing - Line fishing takes place in the open sea, estuaries and rivers using an "almadia". The lines used are either of the monofilament type or hand-made from plant fibres, eg raffia, and are between 80 and 100 m in length. One or more variable sized hooks are attached to each line.
- Seine Nets - Nearshore beach seine nets are used at several locations along the coast, within a range of 3 km from the shore. Nearshore beach seine net fishing is practised at low spring tides, near the channels and usually in areas where there is extensive seagrass cover. Beach seine fishing is undertaken using small boats and nets made from conventional material such as multifilament twine and netting. The nets are relatively small, ranging from 100 m to 150 m long, with mesh size under 2.5 cm and with the rope warps up to a maximum of 150 m.

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<sup>13</sup> Hoguane et al., 2002.



These nets are set from non-motorised canoes. To pull in the nets, groups of around seven to 10 people are required.

- Gill Nets and Hand Line - Gill netting usually occurs in shallow waters and estuaries. The netting is made of monofilament and has stretch mesh of 5 to 7.5 cm. In most cases, the nets are 50 and 200 m in length and are usually set from a small canoe by two fishers. The method of gill net fishing that is practiced inshore in the estuaries and along the coast catches small species such as glassnose (*Thryssa vitrirostris*), kelee shad (*Hilsa kelee*), flathead mullet (*Mugil cephalus*) and Indian pellona (*Pellona ditchela*).
- The artisanal hand line fishery operates within 10 km from shore.

## 2.11 Insecure Cold Chain

One of the major barriers to the sale of fish for artisanal fisheries is the lack of equipment with a secure cold chain. Getting access and maintaining the cold chain through the whole value chain is difficult for almost all artisanal fisheries as listed below;

Table 2: Cold Chain Challenges

Considerations for Artisanal Fisheries Cold Chain			
Onboard fishing vessels	At landing sites	To the Market	Other factors
<ul style="list-style-type: none"> <li>- Lack of space and access to ice</li> <li>- Low level of equipment</li> <li>- Lack of skills</li> </ul>	<ul style="list-style-type: none"> <li>- Hygiene conditions at landing sites</li> <li>- Fresh safe water</li> <li>- Electric power supply</li> <li>- Lack of cooling infrastructure (cold storage and ice)</li> <li>- Ice making plants</li> </ul>	<ul style="list-style-type: none"> <li>- Accessible roads</li> <li>- Lack of refrigerated transport</li> <li>- Appropriate processing and storage facilities</li> </ul>	<ul style="list-style-type: none"> <li>- High temperatures</li> <li>- Often remote location of landing sites and communities</li> <li>- Lack of access, bad quality or high cost of energy</li> <li>- Lack of skills (operation and maintenance of infrastructure)</li> <li>- Lack of ownership of communities</li> <li>- Lack of involvement of private sector</li> <li>- Lack of proper management systems (organisation of fishers)</li> <li>- Often high running costs if not done properly</li> </ul>

## 2.12 Community Fishing Councils (CCPS)

Fisheries co-management committees, known as Conselho Comunitário de Pesca (CCPs), have been established along the whole coastline. CCPs are community-based organizations comprising of fishers who represent the needs and concerns of fishing communities at the government level and teach artisanal fishers the importance of managing marine resources sustainably. CCPs are a model for conservation and environmental management whereby communities are not merely benefitted by direct or indirect spin-offs from conservation, but are embedded in the entire process and lead it on their terms.

The exact number of CCPs along the coastline could not be established but will be determined during the site-specific impact assessments for the sub-projects. However, it was established that CCPs in

areas where they are active have played a central role in enforcing adherence to regulations whilst reducing some of the most damaging fishing practices such as the use of mosquito nets and fishing in estuaries. CCPs have also contributed to an increased awareness of conservation measures that have been put in place to protect various marine species, such as turtles, manta rays, whale sharks and dugongs.

CCPs are legal entities enacted by parliament and have been given a path which allows them to designate community management areas and better implement rules regulating access to marine resources. CCPs, working in co-operation with fisheries officials, will be required to play an ever-greater role in managing fishing pressure and addressing illegal fishing practices in the small-scale sector. The potential for elite capture was observed during the stakeholder process as indicated by the underrepresentation and weak organization of women traders in CCPs. CCPs are also facing challenges as pressure on fisheries increases as they do not have financial independence. Communication to and from the officials was also noted as a challenge in terms of enforcing regulations.

CCPs also play an important role in disseminating weather information and disaster management where some of them have developed simple, cost-effective measures to reduce risk associated with cyclones. For example, many CCPs have implemented a simple flag system (red, yellow or green) to indicate the risk of dangerous weather based on updates received through radio or mobile phone systems.

### **2.13 Social Amenities**

Most of the rural areas are poorly served by social infrastructure, and where this exists it is concentrated at the central district and at some administrative post headquarters. Communities have to travel long distances to access the nearest Rural Health Centre. The main diseases that are treated comprise of malaria, diarrhoea and dysentery, sexually transmitted diseases (including HIV/AIDS), tuberculosis and pneumonia (Impacto, 2019). Many people still rely on traditional herbal medicines and several traditional doctors operate in the area. Plans, strategies and initiatives in the health sector will be reviewed and documented in the ESIA.

Piped water systems at most, exist only in the district centres and communities depend on hand pump operated borehole water and traditional open shallow wells and cisterns to collect rainwater for their water supply. There are insufficient hand pumps to meet the needs in the rural areas, especially in the interior areas where water supply relies on boreholes. Water from boreholes is sometimes of poor quality, brackish or saline due to sea water intrusion.

### **2.14 Energy Supply**

Grid power distribution network mostly covers central districts and some localities along the coast. It is estimated that only 1.5% rural communities are benefitting from this source of energy and they make use of alternative energy sources (e.g., paraffin and kerosene) for lighting. Most cooking is done with locally produced charcoal or wood. The main wood source for firewood and charcoal is a timber locally known as Chanfuta (Pod Mahogany, *Azelia quanzensis*), listed as Near-Threatened in the IUCN Red List.

### **2.15 Health and Wellbeing**

About 2.2m people live with HIV and chronic malnutrition in the country remained relatively unchanged for the past 15 years, with 43% facing extremely high levels. Social protection coverage in Mozambique is very limited. Only 13.4% of the population is covered by at least one social protection

benefit (excluding health) and only 10.1% of vulnerable persons are covered by social assistance. Merely 4.9% of the labour force is covered by a pension scheme as active contributors. This gap is partly attributed to the large share of informal workers.

## **2.16 Vulnerability to Weather and Climate Change**

Mozambique ranks 154 out of 181 countries in the ND-GAIN index (2016) that measures vulnerability to climate change<sup>14</sup>. It is one of Africa's most vulnerable countries to climate change and extreme weather events. Mozambique is the 35th most vulnerable and the 24th least ready country, meaning that it is vulnerable to, yet unready to address climate change effects. A combination of poverty, weak institutional development and frequent extreme weather events places the country at heightened vulnerability. In recent years, Mozambique has been hit by climate-related hazards such as droughts, floods and cyclones. Of those, in the context of climate change and disasters, cyclones have been increasing in intensity and frequency mostly hitting central Mozambique. Cyclones that in recent history were happening over period of years are now happening on an annual basis causing displacements and disruption of livelihoods. In the last 16 years, the country has recorded 10 tropical systems, among them cyclones and storms. Cyclone Idai, Gombe and Kenneth have been the most devastating, in terms of deaths, affected population and damaged infrastructure from 2007 to date.

The climatic hazards are compounding challenges for communities largely reliant on natural resources and burdened with multidimensional poverty. Small-scale fisheries communities are vulnerable not only to the direct threats of floods and cyclones to health and infrastructure, but also to the impact of changing ocean temperatures, rainfall patterns and other geophysical processes on the marine organisms that support their livelihoods.

## **2.17 Gender Equality**

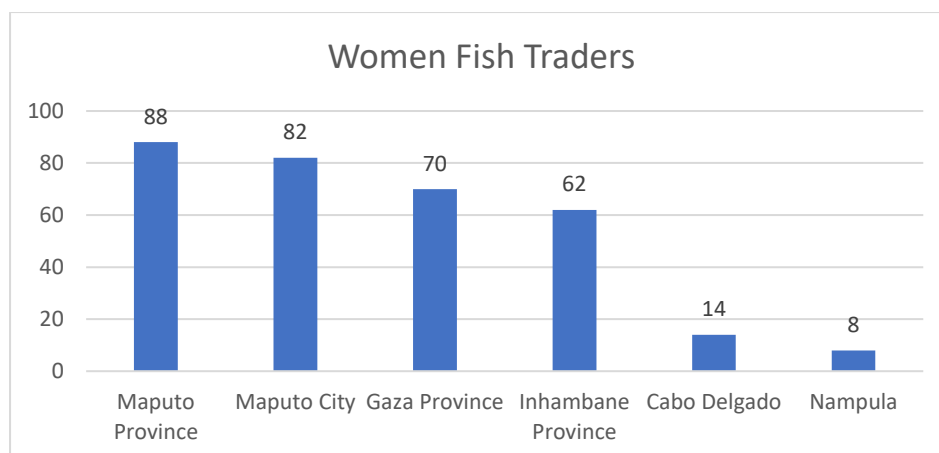
Mozambique ranked 127 out of 162 countries in the Gender Inequality Index of the 2019 Human Development Report, reflecting gender-based inequalities in reproductive health, empowerment, and economic activity. Although the political and legal framework is favourable for gender equality, the country faces a lot of challenges in terms of advancing gender related priorities. The two cyclones in 2019 and the pandemic hampered progress on women access to health, education, and livelihoods, especially those in the informal sector or in rural areas. The main issues are: (i) high poverty among female headed households; (ii) women's time poverty due to time spent on unpaid care work, drawing water and fuel for household consumption; and (iii) low transition of girls into tertiary institutions and STEM areas. (iv) limited land, productive resources, and finance access for women; and (v) incidences of gender-based violence and early pregnancies. In 2018 only 22% of women versus 42% of men had access to a deposit account and the target of the National Financial Inclusion Plan for the year 2022 still foresees a gender gap of 19 percentage points. Hence, promoting women's access to land holding and finance, may contribute to closing the gender wage gap while reducing the opportunity cost of not unlocking women's potential.

## **2.18 Women in Artisanal fisheries**

Women make up 46% of the fisheries workforce, and are predominantly engaged in fish trading activities whilst men are engaged in production. Fish trading women dominate the sector in the south

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<sup>14</sup> UNHCR, Protection Cluster Factsheet, 2022



Women also perform other important activities that make men’s fishing possible, such as transporting fishing equipment and boats, carrying their catch to shore, and mending their fishing gear. When the tide is low and the sea floor is visible, women from coastal villages harvest a variety of aquatic animals like clams, oysters, mussels and crabs contributing to household food security and nutrition.

For women involved in producing because of their domestic duties and social norms, rarely participate in offshore or long-distance fisheries but often engage in subsistence fishing in small boats on coastal or inland waters. The generalization of men being regarded as producers and women as processors has made fisheries governance blind to women’s other valuable inputs to the sector. Women’s social organisation is very weak and they are under-represented in local fisheries management committees and credit and savings groups. In 2009, women were only 8.83% of the CCP members. This largely constraints their access to productive fisheries equipment and services which if secured can give them a greater say and control over as well as increasing their social and financial capital.

Based on artisanal fishery sector census (2012) women fishing using boats constituted 2.06% and men 97.94%. Of the total 52,778+ boat owners, only 604 are women.

Women’s participation can be improved by raising awareness on gender equality issues along the value chain through applying a gender lens, by providing appropriate support to women’s organizations and creating an enabling environment for their participation in broad co-management initiatives. This will include formal recognition of their professional activities and overall contribution to the sector development, food security and nutrition.

## 2.19 Youth and Artisanal Fisheries

In Cabo Delgado, the youth are disproportionately affected by the conflict. Factors such as unemployment, disruptions to education and an economy that offers little in terms of job prospects make the youth particularly at risk of being recruited by extremists. (2020 – 2029). However, these plans have not been domesticated at sub-regional (SADC) level and at national level.

## **2.20 Access to financial services**

Only a small number of artisanal fishermen with access to more appropriate boats, technology and labor are more market-oriented while the majority are forced to operate at subsistence level and only selling the surplus locally. Women are more affected in terms of accessing financial services than men. Challenges faced by women include limited access to financial services, limited market access, shortage of raw material, lack of collateral, savings and insurance, lack of financial literacy, limited knowledge of business development and management skills (no records for administration, lack of planning).

Men mostly use banks (60%) as they are primarily engaged in business activities and micro-small enterprises. Women instead, use informal financial services such as Xitique (38%), Accumulative Savings and Credit Associations (ASCAs) (67%). The prevalence of women in ASCAs is significant (81%) in southern region (Maputo, Gaza and Inhambane) while in the northern region it is less prominent at (59%)<sup>15</sup>. Taking into account that the majority of agricultural producers are women, the promotion and regulation of ASCAs is crucial for rural women access to financial services.

## **2.21 Armed Conflict in the North**

Since 2017, armed conflict actions by insurgent groups have been taking place, and it is estimated that, by the end of December 2020, the conflict had caused more than 3,800 deaths, and almost 700,000 displaced people, creating a situation of great vulnerability <sup>16</sup>. The causes of the insurgency are varied, but it may have been influenced by the feeling of inequality and abandonment by the Government and taken advantage of by extremist groups, allegedly associated with Islamic extremists. The conflict has been the main cause of food insecurity and poor nutritional status in the country. The armed conflict also resulted in family separation, increased exposure to Sexual Gender-Based Violence (SGBV), forced recruitment, sexual abuse, and exploitation.

## **2.22 Cultural heritage**

According to Law 10/88 of December 22, Chapter II, article 3, paragraph 1, defines cultural heritage as a set of tangible and intangible assets created or integrated by the Mozambican people throughout history, with relevance for the definition of cultural identity Mozambican.

Cultural heritage consists of intangible and material cultural assets (movable and immovable). For the analysis of potential impacts and risks of the Project, it is important to analyse the material cultural heritage, which is made up of movable cultural assets and immovable cultural assets. Immovable cultural assets, which comprise the following categories:

**a) Monuments; b) sets; c) places or sites and d) natural elements.**

Movable cultural assets, which include:

a) Specimens; b) Archaeological elements; c) Ancient manuscripts; d) Historical objects and old documents; e) Ethnographic objects; f) Plastic works of art; g) Films and sound recordings and h) Documents and objects related to personalities of the national liberation movement.

There are several archaeological sites of importance in Mozambique albeit the absence of information concerning them. The majority are related to early settlements which were important trading centres

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<sup>15</sup> The Challenges of Access to Financial Services in the Agricultural Sector in Mozambique, 2019

<sup>16</sup> <https://news.un.org/en/story/2021/03/1087952>

linking the interior of southern Africa to the rest of the known world. Three major sites will be discussed here, but site specific ESIA's will be mandated to document such. The three main sites are Chibuene, Manyikeni and the Catandica ruins. The sites are on the list of the World Heritage sites.

### Chibuene

Chibuene, southern Mozambique, is the site of the earliest-known trading port in southern Africa. Radiocarbon dates place its occupation between the 6th and 17th centuries. Recovered exotic trade goods, especially glass beads, indicate it was the main port of entry for that trade into southern Africa from roughly the 8th to the mid-10th century. LA-ICP-MS analysis of glass beads, vessel shards and wasters from the site has brought to light a new bead series for the region that may push that trade back to the 7th century (Wood, M, et al, 2012).



Figure 5: Glass beads from Chibuene (Wood, M, et al, 2012)

Chibuene is located five kilometres south of the coastal city of Vilanculos South Beach. The site was occupied during two distinct phases. The earlier phase of occupation dates to the late first millennium AD. The second phase dates from around 1450 and is contemporaneous with the Great Zimbabwe civilization in the African interior. During both phases of its development Chibuene was a trading settlement. Trade goods obtained from the site include glass beads (Figure 4-22), painted blue and white ceramics, and glass bottle fragments. The later phase of settlement has yielded remains of ancient structures as well as evidence of metallurgy. Crucibles have been found that were presumably used to melt gold obtained from trade with the Great Zimbabwe civilization. There is evidence that Chibuene traded extensively with the inland settlement of Manyikeni.

### Manyikeni

Manyikeni is a Mozambican archaeological site, around 52km west of the coastal city of Vilanculos. The archaeological site dates from the twelfth to seventeenth century. It is believed to be part of the Great Zimbabwe tradition of architecture, distinguished by mortar-less stone walls, and part of the famous Mwene-Mutapa's Kingdom. The central stone enclosure complex is built in this tradition, and the find of a Zimbabwe-style iron gong at the site also suggests cultural ties (Figure 4-23).



Figure 6: Manyiken Ruins (Macamo, S. 2006)

The site today is covered by the *Cenchrus ciliaris* grass, commonly found in Zimbabwe but not in Mozambique. Berger suggests that this may indicate the grass was introduced along with cattle from Zimbabwe. The site is located 350 km from Great Zimbabwe, the capital of a large, pre-colonial empire active from at least the 11th through the 14th centuries. It has been suggested that only the ruling elite at Manyiken consumed beef, as cattle bones have been found only in the central part of the site. The lower classes who lived at the periphery of the site ate meat from ovi-caprines. The presence of a large number of glass beads and seashells at the site have led to speculation that the settlement traded extensively with the ancient coastal settlement of Chibuene (Macamo, S. 2006)

#### **Catandica ruins**

The Catandica ruins are in Manica Province, near Catandica about 25kilometres southwest of the village. This area is relatively high (500 metres above sea level and above) compared to the low lying Sofala Province (below 500 metres). The frequent flood in the low-lying areas has destroyed most archaeological sites in the area. It is therefore crucial that extreme care be taken to ensure that archaeological remains are not needlessly or thoughtlessly destroyed.

The archaeological sites in the hills of Mhanda are still in place and need to be looked after by the responsible authorities. Chief Makombe and his warriors built several forts and strongholds in the hills during their protracted war against the Portuguese settlers in Mozambique (Figure 4-24). The well-preserved ruins of the retreat base still exist and the Mozambican government is trying to restore the ruins.



Figure 7: The Catandica ruins (Chief Makombe's stronghold in the hills of mhanda)

### Sacred Places

Numerous sacred places were found in the area near Catandica Village. Almost in all areas of both provinces of Sofala and Manica sacred mountains and holy shrines were found. Some elders were talking about some sacred caves in the Gogogo hills. The Gorongoza area is well preserved and any archaeological sites are still well protected. However, those that are in the buffer zone are in danger of being tampered with.

Because of the remoteness of some places, it makes it impossible to exhaust the search for possible sacred, holy or archaeological fertile areas.

During the liberation war for Zimbabwe a few fierce battles between the Rhodesian armed forces and the freedom fighters of Zimbabwe occurred. In two of the raids on the guerrilla bases thousands of civilians were massacred and were buried in mass graves at Chimoio and Nhadzonia. In Nhadzonia the attack occurred in 1976 and in Chimoio it occurred in 1978. These two places are now being kept by the department of National Museums and Monuments of Zimbabwe as national heritage sites.

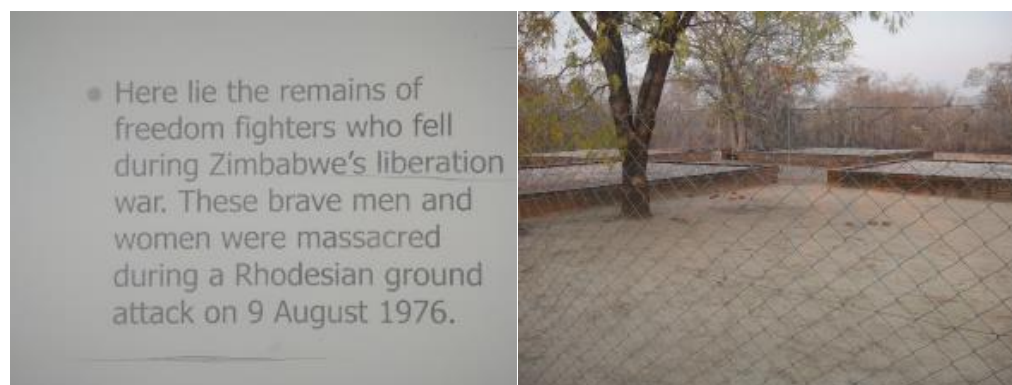


Figure 8: The shrine dedicated to the fallen heroes of Zimbabwe



### 3. Legislative, Regulatory and Administrative Framework

#### 3.1 National Provisions

Mozambique has done extremely well in terms of setting its environmental, social and climate framework which makes it easier for development programmes and projects to find their footing. The national Constitution (2004) includes two fundamental environmental pillars namely: “the right of every citizen to live in a clean environment and the responsibility to protect this right” as well as recognition of environmental protection as a public interest. In relation to Land aspects, it stipulates: (i) the maintenance of land as State property and cannot be sold, alienated, mortgaged or pledged (iii) the safety of access and use of the land by the population and the investors, recognizing the rights of customary access and administration of the land by rural resident populations, promoting the social and economic justice; (iv) the safeguard of the rights of women to access and use of the land; and (v) the sustainable use of natural resources, to guarantee quality of life for the actual and the future generations, ensuring that the areas of total and partial protection maintain their environmental quality and the specific intentions they were established for.

The following table presents selected legislation that have been considered relevant for the fisheries sector and more specifically for PROPEIXE, together with a brief description of the most important features of its content.

#### i) Environmental Impact Evaluation and Management

Instrument	Basic provision and relevance
Environmental Law (Law No. 20/97, of October 1st)	Defines the legal basis for the use and management of the environment, in order to guarantee the sustainable development of the country. It defines the EIA as an instrument that assists the GoM in the decision-making process regarding the issuance of environmental licenses for development projects. The issuance of an environmental license must precede any other required legal licenses. It is applicable to all public or private activities that may, directly or indirectly, affect the environment.
Regulation on the EIA Process (Decree No. 54/2015, of December 31)	Establishes the norms on the environmental assessment process, namely the screening and categorization process, the level and contents of the environmental studies required for the different categories, public participation process, review process, stages of environmental licensing (Provisional, Installation and of Operation), responsibilities, inspections, fees and penalties.
Regulation regarding Environmental Audits (Decree No. 32/2003)	It defines the environmental audit as an objective and documented instrument for the management and systematic evaluation of the management system and documentation implemented to ensure the protection of the environment. Its objective is to assess the compliance of the operational and work processes with the environmental management plan, including the legal environmental requirements in force, approved for a given project.
Regulation regarding Environmental Inspections (Decree No. 11/2006)	It regulates the supervision, control and verification of project compliance with environmental protection standards at national level.
General Directive for Preparation of Env. Impact Studies (Ministerial Diploma)	Defines the format, general structure and content of the EIA report.

No. 129/2006, 19 July)	
General Directive for Public Participation Process in the EIA process (Ministerial Diploma No. 130/2006, of 19 July)	Defines the basic principles, methodologies and procedures for the Public Participation Process in the Environmental Impact Assessment process. It views public participation as an interactive process that begins at the design stage and continues throughout the project's life cycle.

**ii) Biodiversity**

<b>Instrument</b>	<b>Basic provision and relevance</b>
Regulation for the Prevention of Pollution and Protection of the Coastal Marine Environment (Decree No. 45/2006)	Establishes legal basis for the protection and conservation of areas that constitute public maritime, lake, river, beaches and fragile ecosystems. It protects wetlands and mangroves, prohibiting discharges of pollutants into rivers or wetlands, uncontrolled burning or the development of any activity that involves substantial alteration of the hydrological regime in these areas (Article 65). The construction of infrastructure in partial protection zones associated with bodies of water should only be carried out in compliance with the rules and standards of environmental and landscape quality in force. In the case of fragile ecosystems (including mangroves), it is only permitted after obtaining a special license and respecting environmental legislation (Article 67)
Biodiversity Conservation Law (Law No. 16/2014, amended by Law No. 5/2017, of May 11.)	Establishes the basic principles and norms on the protection, conservation, restoration and sustainable use of biological diversity in conservation areas, as well as the framework of an integrated administration, for the sustainable development of the country. Defines types of conservation areas Defines that each conservation area must have a Management Plan that constitutes a management guide. These plans are official documents (similar to land use plans). It also defines responsibilities for the recovery and restoration of biological diversity, infractions and penalties.
Law on Forests and Wildlife (Law No. 10/99, of July 7) and Regulation of the Law on Forests and Wildlife (Decree No. 12/2002, of June 6, amended by Decree No. 11 /2003.)	Establishes the legal regime applicable to all the values and natural resources existing in Mozambican territory and in the waters under its jurisdiction. The felling of trees requires a request for authorization (Article 105) The use of forest fires is not allowed (Article 106) Annex II presents a list of protected animals, whose hunting is not allowed
Regulation for the Control of Invasive Alien Species (Decree No. 25/2008, of 1 July)	Establishes legal norms that prevent the introduction of evasive exotic species that threaten ecosystems, habitats or species in its territory, insofar as they include the control and elimination of such species. Restricted activities involving invasive alien species are prohibited without prior authorization (Article 8)

**iii) Fisheries legislation**

<b>Instrument</b>	<b>Basic provision and relevance</b>
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<p>The Fisheries Law (Decree no. 3/1990)</p>	<p>It endorses the involvement of communities in management of artisanal fisheries and a participatory approach to conservation and appropriate use of aquatic biologic resources and ecosystems.</p> <p>Specific aspects of the fisheries legislation include:</p> <ul style="list-style-type: none"> <li>the management, conservation and adaptation of fishing fleet capacity to fishery resources and the environment; the monitoring and surveillance of fishing activities; the promotion and development of marine and freshwater fisheries and aquaculture;</li> <li>processing of fishery products;</li> <li>promotion of national business;</li> <li>the sanitary control of fishery products;</li> <li>the objectives of fisheries research and extension;</li> <li>participatory management and the valuing of the traditional knowledge of local fishing communities;</li> <li>the development of infrastructure for complementary fisheries activities;</li> <li>promoting the development and development of small-scale fisheries;</li> <li>the marketing of fishery and aquaculture products. Fisheries activities are classified into:</li> </ul> <p>Extractive – based on catching with or without processing on board or the collection of fishery resources in the maritime and continental waters,</p> <p>aquaculture – based on the breeding and keeping in captivity, with human intervention, of aquatic species.</p> <p>Supporting activities are subdivided into:</p> <ul style="list-style-type: none"> <li>processors - those relating to canning, drying, smoking, brining, freezing and other processing of fishery products</li> <li>marketing - those relating to the first sale of fishery products and</li> <li>port services - those involving boat docking, unloading and loading of fishery products or goods and inputs for fishing and aquaculture;</li> <li>construction and manufacturing - those relating to the construction and ship repair and the manufacture of fishing nets, artefacts, sizing and other accessories.</li> </ul> <p>It also specifies that the development of any of the fisheries activities requires authorization in line with specifications set forth in this Law and other applicable regulations (Article 11, point 3.)</p>
<p>The Marine Fisheries Regulation (Decree, No. 43/2003)</p>	<p>It stipulates that the Ministry of Fisheries adopts participatory management of fisheries resources. Community Fisheries Councils (CCPs) are legal entities that contribute to the participative management of fisheries and to developing activities to promote resource sustainability and improvement of living conditions, incorporating the interests of the community in development action plans</p>
<p>The Regulation of Operation of the Fishing Co-Management Committees, Ministerial Diploma No. 147/2007</p>	<p>It approves the Regulation of the Co-Management Committee on Fishery Sector. This Regulation specifies composition and competencies of this institution, which is a consultative forum, entitled to give advice also on the following: preservation of fisheries resources and its management, authorized fishing methods and areas, protected fish species, etc.</p>
<p>The Tourism Law (Decree No. 4/2004)</p>	<p>Defines the tourism sector as being strategically positioned to contribute to economic growth, employment creation and alleviation of poverty. The specific improvement of the standard of living of local communities is expected as a result of their active participation in tourism (and where relevant conservation) activities.</p>
<p>Additional</p>	<p>Fishing Policy and Implementation Strategies, Resolution No. 11/96</p>

	<p>The General Regulation of Offshore Fishing, Decree No. 43/2003 which regulates fishing activities at sea</p> <p>The Regulation of Fishing in Inland Waters, Decree No. 57/2008</p>
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**iv) Disasters and Climate Change**

<b>Instrument</b>	<b>Basic provision and relevance</b>
Nationally Determined Contribution (NDC)	<p>In its updated NDC, Mozambique commits to a series of mitigation actions that aim to achieve a reduction of greenhouse gas emission emissions by about 40 million tCO<sub>2</sub> equivalent between 2020 and 2025.</p> <p>These estimates will be updated with the results of the Biennial Update Report to be available in 2022.</p> <p>Adaptation and resilience areas in the NDC are:</p> <p>Disaster risk management, Agriculture, Livestock and pastoralism, Fisheries, Water, Biodiversity and Ecosystems, Health, Forests, Infrastructure, Cities and Urban areas, Tourism, Food systems and food security</p>
National climate Change Adaptation and Mitigation Strategy (2013-2025)	<p>The National Climate Change Strategy aims to reduce vulnerability to climate change and improve the living conditions of the Mozambican people. It proposes climate change adaptation and disaster risk reduction measures and also focuses on mitigation by targeting low carbon development. The ENMC is structured around three core themes: (i) adaptation and climate risk management; (ii) mitigation and low carbon development (iii) cross cutting issues. These include institutional and legal reform for climate change, research on climate change, and training and technology transfer. The implementation of the ENMC is planned in three phases. i) improving the response of local communities to climate change, ii) reducing poverty, planning adaptation measures and iii) identifying opportunities for the development of low-carbon economy in local communities. The Strategy also proposes the establishment of a Centre of Knowledge on Climate Change (CGC) within the Ministry of Science and Technology. The primary objective of the centre should be to collect, manage and disseminate scientific knowledge on climate change, providing crucial information for the development of policies and plans.</p>
National Adaptation Plan (2007)	<p>Following the expiry of the first NAP in 2019, Mozambique updated its NAP in which the goals will be like those in the shorter term, but referring to the provincial and national levels, respectively. Therefore, from 2020 to 2025, the country intends to increase its resilience at the provincial level and to include adaptation in that scope of planning and from 2026 to 2030 to do the same at the national level, achieving in this way the vision of the NCCAMS – “A prosperous and climate change resilient Mozambique, with a green economy in all social and economic sectors”. The strategic actions to be included in the NAP are:</p> <p>Reduce climate risks through the strengthening of the early warning system and of the capacity to prepare and respond to climate risks;</p> <p>Improve the capacity for integrated water resources management including building climate resilient hydraulic infrastructures;</p> <p>Increase the effectiveness of land use and spatial planning (protection of floodplains, coastal and other areas vulnerable to floods);</p> <p>Increase the resilience of agriculture, livestock and fisheries, guaranteeing the adequate levels of food security and nutrition;</p> <p>Increase the adaptive capacity of the most vulnerable groups;</p> <p>Reduce people’s vulnerability to climate change related vector-borne diseases or other diseases;</p> <p>Ensure biodiversity’s protection</p>

		<p>Reduce soil degradation and promote mechanisms for the planting of trees for local use;</p> <p>Develop resilient climate resilience mechanisms for infrastructures, urban areas and other human settlements and tourist and coastal zones;</p> <p>Align the legal and institutional framework with the NCCAMS;</p> <p>Strengthen research and systematic observation institutions for the collection of data related to vulnerability assessment and adaptation to climate change;</p> <p>Develop and improve the level of knowledge and capacity to act on climate change; and promote the transfer and adoption of clean and climate change resilient technologies.</p>
Disaster Management and Reduction Law (Law No. 10/2020) and Disaster Management and Reduction Regulation (Decree No. 76/2020)	Risk	<p>Advocates for climate resilience and defines response in case of disaster</p> <p>Establishes the legal framework for disaster risk management, comprising the following sectors: risk reduction, disaster management, sustainable recovery for the construction of human, infrastructural and ecosystem resilience, as well as the adaptation to climate change</p> <p>It includes in the calamity concept - floods, droughts, cyclones, fires, epidemics, erosion, landslides, oil spills etc.</p> <p>Actions related to disaster risk management and reduction must be carried out in a decentralized manner</p>
Disaster Reduction Master Plan 2017 – 2030	Risk	<p>The overarching goal of this document is that “the population, their livelihoods and health and public and private infrastructure resilient to extreme events and the effects of climate change and with a consolidated culture of prevention, preparedness, response and recovery”.</p>
Additional Plans and programs		<p>National Climate Change Monitoring and Evaluation System (SNMAMC)</p> <p>National Strategy for the Reduction of Emissions Resulting from Deforestation and Forest Degradation (REDD+) 2016 – 2030;</p> <p>Disaster Management Law;</p> <p>National Productive Social Action Program (PNASP);</p> <p>National Agricultural Sector Investment Plan (PNISA);</p> <p>Strategic Plan for the Meteorology Sector;</p> <p>National Adaptation Plan for the Agriculture Sector; and,</p>

**v) Water Resources**

<b>Instrument</b>	<b>Basic provision and relevance</b>
Water Law (Law No. 16/91, of August 3)	<p>Establishes the principles of management of inland water resources, protection zones, user-pays and polluter-pays principle</p> <p>It is prohibited to directly or indirectly carry out actions that contaminate the waters or accumulate solid waste, waste of any substances that contaminate or create a danger of contamination of waters (Articles 53)</p>
Regulation of Water Licenses and Concessions (Decree No. 43/2007, of 30 October)	<p>Establishes principles and procedures for granting licenses and concessions for the use of inland waters.</p> <p>Requests for the private use and benefit of water or effluent disposal will be submitted to the decision of the Regional Water Administration (Articles 22 and 24).</p>
Groundwater Research and Exploitation Regulation (Decree No. 18/2012)	<p>Establishes principles and procedures for research authorization and drilling licensing for groundwater abstraction</p> <p>Establishes that drilling activities can only be carried out by qualified contractors (Article 25)</p> <p>It is mandatory to register the catchment at the Regional Water Administration with territorial competence (Article 37)</p>

**vi) Quality of Environment**

<b>Instrument</b>	<b>Basic provision and relevance</b>
Regulation for the Prevention of Pollution and Protection of the Coastal Marine Environment (Decree No. 45/2006)	Establishes legal basis for the protection and conservation of areas that constitute public maritime, lake, river, beaches and fragile ecosystems. It protects wetlands and mangroves, prohibiting discharges of pollutants into rivers or wetlands, uncontrolled burning or the development of any activity that involves substantial alteration of the hydrological regime in these areas (Article 65). The construction of infrastructure in partial protection zones associated with bodies of water should only be carried out in compliance with the rules and standards of environmental and landscape quality in force. In the case of fragile ecosystems (including mangroves), it is only permitted after obtaining a special license and respecting environmental legislation (Article 67)
Environmental Law (Law No. 20/97, of October 1st)	Establishes the legal framework on environmental matters. Limits the “production, deposit in the soil and subsoil and release into water or the atmosphere of any toxic and polluting substances, as well as the practice of activities that accelerate erosion, desertification, deforestation or any other form of degradation of the environment” to legally established limits (Article 9).
Regulation on Environmental Quality and Effluent Emission Standards (Decree nº 18/2004, September 15th, amended by Decree nº 67/2010, December 31st)	Defines air quality and pollutant emission standards for stationary and mobile sources (SO <sub>2</sub> , NO <sub>2</sub> , CO, O <sub>3</sub> , total suspended particles, carcinogenic inorganic and organic pollutants and substances with odorous properties and the fundamental parameters that should characterize air quality Defines emission standards for industrial and domestic liquid effluents Defines water quality standards for the receiving body
Regulation on Hazardous Waste Management (Decree No. 83/2014, of December 31)	Establishes the legal framework on hazardous waste management. Hazardous solid waste must be segregated according to the classes defined in the regulation, and each producing or handling entity must have at least the technical conditions for packaging the waste in its possession (Article 13). The collection of hazardous solid waste is the sole responsibility of the producing entities (Article 15). Hazardous solid waste can only be moved out of the entities' premises by transport operators previously certified for this purpose (Article 16)
Regulation on Urban Waste Management (Decree No. 94/2014, of December 31)	Establishes the legal framework for the management of urban solid waste and industrial and hospital waste, equivalent to urban waste, being applied to all natural and legal persons, public and private. It also provides for minimize the production of solid waste, segregation and packaging of waste in many different categories, health, occupational safety and environment Provides for treatment of the solid waste before its final deposition so that it does not have a negative impact on the environment or on health and safety public
Ministerial Diploma 153/2002 of 11th of September 2002 (Pesticide Regulation)	It requires that the use of pesticides be subject to prior registration with the Ministry of Agriculture. The Ministry of Health establishes permitted levels of pesticide residues in food based on the Food and Agriculture Organization of the United Nations (FAO) guidelines. Depending on their level of toxicity, pesticides must be clearly labelled and identified and colour coded. In compliance with the respective regulation (54/2015) use, storage, handling, sale and removal or destruction of pesticides may be subject to environmental licensing.

Pesticide Management Regulation (Decree No. 6/2009 of March 31)	It applies to the registration, production, donation, trade, import, export, packaging, storage, transport, handling, use and disposal of pesticides and adjuvants, by individual or legal persons, for agricultural, animal husbandry, forestry, public health protection, domestic and others.
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**vii) Social Protection, Labour, Health and Occupational Safety**

Legislation	Basic provision and relevance
	Ministry of Fisheries' new Gender Strategy and strengthen the role and capacities of its Gender focal points at provincial level.
Labor Law (Law No. 23/2007, of 1 August)	Defines the general principles and establishes the legal regime applicable to individual and collective relationships of subordinate work (national and/or foreign), provided on behalf of others and against remuneration.
Regulation on Accidents at Work and Occupational Diseases (Decree No. 62/2013, of 3 June)	Establishes the legal regime for accidents at work and occupational diseases, applicable to national and foreign employees.
Law for the Protection of Workers with HIV/AIDS (Law No. 05/2002)	It sets out the general principles aimed at ensuring that all employees and jobseekers are not discriminated against in the workplace or when applying for jobs because they are suspected of having HIV/AIDS. Article 8 establishes that the worker, in connection with his professional occupation, in addition to the compensation to which he is entitled, is guaranteed adequate medical assistance to alleviate his health condition, in accordance with the labour law and other applicable legislation, at the cost of by the employer.
Law for the Protection of Persons, Workers or Candidates for Employment living with HIV/AIDS (Law No. 19/2014 of 27 August)	It establishes the rights and duties of people, workers or jobseekers living with HIV/AIDS, including people at risk of infection such as medical personnel. Article 47 recommends that workers or job applicants with HIV/AIDS should not be discriminated against due to their HIV status, ensuring the principle of equal rights and opportunities. Article 53 establishes the employer's obligation to maintain assistance to HIV-positive workers.
Regulation on General Labor Inspection (Decree No. 45/2009)	Establishes the rules relating to inspection activities, within the scope of controlling the legality of work. Point 2 of Article 4 provides for the employer's responsibilities in terms of preventing occupational health and safety risks for the employee.
Family Law (Law No. 10/2004)	It reiterates gender equality and provides that both women and men have rights to manage marital property and have equal rights to transfer and inherit property. Reiterates gender equality and provides that both women and men have rights to manage marital property and have equal rights to transfer and inherit property.
Social Protection Law (Law No. 4/2007)	It comprises three categories of social protection: Basic, Mandatory and Complementary Social Protection. Basic Social Protection primarily involves social safety net programs, including social transfers and other assistance programs, labour-intensive public works programme, school feeding, and interventions to facilitate access to health and nutrition services. Compulsory Social Protection (social insurance mechanisms) is currently very limited in coverage. As for Complementary Social Protection (for self-employed workers) it is yet to be developed.

Law to Prevent and Combat Premature Unions (Law No. 19/2019)	It sets the legal age of marriage to be 18 years old, at which point a new family can be legally constituted. This is relevant for housing rights and for estimating the organic growth of project-affected populations.
Law on Violence against Women (Law No. 29/2009)	It criminalizes GBV and domestic violence (Article 1) and considers it a public crime (Article 21). The law recognizes the violation within the marriage by the spouse and penalizes it (Article 17). Just as it penalizes sexual involvement with knowledge of having an infectious disease with sentences of up to 12 years in prison (Article 18)
Penal code	Article 46 of the new Penal Code (CP) declares children from 0 to 16 years old to be incompetent. Children between the ages of 16 and 18 are considered to be relatively unimputable, with a maximum sentence of 8 years in prison applicable to them (article 134 of the CP). Minors between the ages of 18 and 21 can be sentenced to a maximum sentence of 12 years in prison (Article 133 of the CP).

### viii) Cultural Heritage

Instrument	Basic provision and relevance
Cultural Heritage Law (Law No. 10/88)	It was formulated to legally protect tangible and intangible assets of Mozambican cultural heritage, with cultural heritage defined as the "group of material and non-material assets created or integrated by the Mozambican people throughout history, with relevance to the definition of the cultural identity of Mozambique". Material cultural assets include: monuments, groups of buildings with historical, artistic or scientific importance, places or sites (with archaeological, historical, aesthetic, ethnological or anthropological interest) and natural elements (physical and biological formations with particular interest from aesthetics or scientific point of view). "Anyone who finds places, constructions, objects or documents likely to be classified as cultural heritage assets must notify the nearest administrative authority (Article 13)
Regulation for the Protection of Archaeological Heritage (Decree No. 27/94, of 20 July)	Its purpose is to protect the different categories of movable and immovable property, which, due to their archaeological value, are part of Mozambique's cultural heritage. "The author of any fortuitous discovery of archaeological elements, must notify the local authority within 48 hours, which will notify the competent bodies for culture, as soon as possible, and take appropriate measures for the protection of said elements." (Article 10) "All projects involving excavation works, removal or expansion of land, or the removal of submerged or buried objects, in particular, must include preliminary archaeological prospecting and safeguard archaeology work, in the area covered by the works, and must include for this purpose in the respective budget an allocation of not less than 0.5 percent of the total cost of the works." (Article 12)

### ix) Land, Resettlement and Territorial Planning

Instrument	Basic provision and relevance
Land Law (Law No. 19/97 of 1 October) and Land Law Regulations (Decree No. 66/98, amended	It establishes as a main principle that land is the property of the State and cannot be sold, alienated, mortgaged or pledged, in accordance with the Mozambican constitution. It defines, at the public domain level, total and partial protection zones, with emphasis for this project on the following areas classified as partial protection zones (Article 5 to 8):



<p>by Decree No. 1/2003);</p>	<p>Primary roads and the adjacent 30-meter strip of land;                  Motorways and four-lane roads and the adjacent 50-meter strip of land;                  Installations and surface aerial conductors for electricity, telecommunications etc. along the coast and the adjacent 50-meter strip of land on each side.                  In the event of the need to restrict the right to use and benefit from the land for the installation of infrastructure in the public interest, the public or private entity must indemnify the holder of the right, in an amount that represents the effective damage due to the non-use of the affected part, which will pass to constitute servitude, (Article 17)</p>
<p>Regulation for the Use of Roads and Their Protection Zones (Decree No. 109/2014)</p>	<p>Regulates the use of road partial protection zones, defining permissions and restrictions on their use.</p>
<p>Directive on the Expropriation Process for Territorial Planning purposes (Ministerial Diploma nº 181/2010 )</p>	<p>Defines compensation payment methods: in cash (in a single installment) or in kind (in the case of buildings or housing constructions, it is carried out through the construction of an equivalent property)                  Defines how compensation is calculated for properties (based on typology, importance, quality, location and depreciation) and for plants (based on age, growing period, average annual production, selling price) and annual crops (based on in production per hectare)</p>
<p>Regulation on the process of Resettlement Resulting from Economic Activities (Decree nº 31/20012, of 8 August)</p>	<p>Defines that the proponent of the activity is responsible for the development and implementation of the resettlement plan, in addition to bearing the costs of the process. Approval of the Resettlement Plans is the responsibility of the District Government (Article 9.2).                  The Decree, in Article 10, establishes the Rights of the Affected Population - understood as those who have lost their assets (such as homes, livelihoods and other types of infrastructure) to see their income level and standard of living restored, equal to or higher than the previous</p>
<p>Land Planning Law (Law No. 19/2007, 18th of July)</p>	<p>It has the purpose of ensuring the organization of national land and sustainable use of its natural resources; observing legal, administrative, cultural conditions; and providing favorable conditions for the socioeconomic development of the country; the promotion of quality of life of the population; and environmental protection and conservation                  "Expropriation for public interest, need or utility gives rise to the payment of fair compensation, under the terms of the Law, to be calculated in such a way as to compensate, among others: a) the loss of tangible and intangible assets; b) the breakdown of social cohesion; c) the loss of production assets." (Article 20).</p>
<p>Regulation of the Territorial Planning Law (Decree No. 23/2008, of 1 June)</p>	<p>Expropriation for the purposes of territorial organization is considered carried out in the public interest, when its final objective is to safeguard a common interest of the community, and may be declared in cases (..) of acquisition in areas for the implantation in economic or social infrastructures with a great positive social impact (Article 68)                  Expropriation is always preceded by a public declaration of the interest, need or public utility of the area to be expropriated (to be issued by the Government), (Article 69)                  Expropriation for public interest, need or utility always gives rise to the payment of fair compensation, to be carried out prior to the transfer of ownership or possession of the assets to be expropriated. The compensation he must to cover no just the value real It is current of the assets expropriated, the date of payment, as well as consequential damages and lost profits of the owner (Article 70)</p>

Regulation for the Management and Planning of the Coastal Area and Beaches (Decree No. 97/2020)	Conditions activities and undertakings in the coastal zone to their compatibility with the Maritime Spatial Planning Plan (POEM), National Territorial Development Plan (PNDT) and Local Territorial and Environmental Planning Plans
Regulation on the process of Resettlement Resulting from Economic Activities (Decree n° 31/20012, of 8 August)	Defines that the proponent of the activity is responsible for the development and implementation of the resettlement plan, in addition to bearing the costs of the process. Approval of the Resettlement Plans is the responsibility of the District Government (Article 9.2). The Decree, in Article 10, establishes the Rights of the Affected Population - understood as those who have lost their assets (such as homes, livelihoods and other types of infrastructure) to see their income level and standard of living restored, equal to or higher than the previous

### 3.2 Relevant Regional and International Conventions and Agreements relevant to PROPEIXE

Mozambique is signatory to a number of international treaties and conventions that obligate signatories to take wide ranging measures in support of environmental protection and sustainable development, including enacting enabling legislation.

**The UN Convention on Biodiversity** ratified by Resolution n.º 2/94, of 24 of August: this is aimed at "the conservation of biological diversity, the sustainable use of its components and fair and equitable sharing of benefits arising from the use of genetic resources, including by appropriate access to genetic resources and appropriate transfer of relevant technologies, taking into account all rights over those resources and technologies, as well as through adequate funding". This international instrument advocates the conservation of ecosystems and natural habitats and maintenance and recovery of viable populations of species in their natural surroundings. It is an essential foundation for the creation, development and protection of conservation areas in the country, which sometimes can be endangered by carrying out operations such oil and gas and other industrial operations without due regard to the provisions of environmental legislation

**Convention on the Protection, Management and Development of Marine and Coastal Environment in East Africa**, ratified by Resolution n.º 17/96, of 26 of November: it highlights a series of measures to protect and conserve the marine and coastal environment of the Party States, particularly in terms of preventing and combating pollution and the protection of the regions' flora and fauna against the growing threats caused by many human activities. In Mozambique it is estimated that close to 60% of its population lives along the coastal areas. This translates into considerable pressure on the natural resources in these areas

**African Convention on Nature and Natural Resources Conservation** ratified by the Parliament's Steering Committee through Resolution n.º 18/81, of 30 December: is aimed at ensuring the conservation, use and development of land, water, forest and wildlife resources of Member States, bearing in mind not only the general principles of nature conservation, but also the best interests of the communities themselves

**Protocol related to Wildlife Conservation and its application in the SADC**, ratified by Resolution n.º 14/2002, of 5 of March: it is aimed at establishing common approaches and support to conservation

and sustainable use of wildlife resources relating to the effective enforcement of laws in the region and within the domestic laws of each Party State

**SADC Revised Protocol on Shared Watercourses, of August 2000:** it establishes a series of steps (13) to be followed in the management of water courses shared by more than one-member state in the SDAC region<sup>6</sup>. The main objective is maintaining unity and cohesion of each watercourse, balance between the various aspects of water use and management (social, economic, environmental, etc.), increased cooperation, coordination and harmonization among States in the region and particularly those sharing specific watercourses, amicable resolution of disputes including recourse to courts where amicable settlement is not achieved as well the operational aspects that assist in the materialization of these principles

**Ramsar Convention on Wetlands of International Importance**, ratified by Resolution No. 45/2003 of 5 November: under this Convention countries, including Mozambique, prepare a list of Wetlands of International Importance. The governments commit themselves to sustainably use such areas by promoting territorial planning, policy development and publication of legislation, management actions and education, as well as the proper and effective management of such areas in an integrated approach vis a vis international cooperation particularly regarding transboundary wetlands, the shared wetland systems, common species and development projects that may affect wetlands

**Resolution n.º 21/81, of 30 of December, by the Cabinet** that turns Mozambique into an UICN member: among other aspects this resolution is aimed at encouraging and facilitating cooperation amongst governments, international organizations and people interested in nature conservation and global resources

**25-27 September 2015 and the Sustainable Development Goals of September 2015 (2015- 2030):** as with the MDGs (2000-2015) Mozambique is a subscriber of the SDG covering 17 action areas or Objectives in which Objective 1 and 2 refer to the elimination of “Poverty” and “Hunger”, while Objectives 5 and 14 deal with “Gender Equality” and “Life Below Water”, respectively, just to name some of the objectives that are relevant for this project.

**Climate Change and COP 21:** Mozambique is one of the 196 countries that signed and ratified the new international agreement in Paris, in December 2015, to reduce greenhouse gas emissions to contain global warming to 2°C or below. COP 21 was a decisive meeting, 3 years after the end of the commitment period of the previous international agreement, the Kyoto Protocol (COP 3). The country’s Intended Nationally Determined Contribution (INDC), of September 2015, is clear about the fact the country’s mission is to “reduce climate change vulnerability and improve the wellbeing of Mozambicans through the implementation of concrete measures for adaptation and climate risk reduction, promoting mitigation and low-carbon development, aiming at sustainable development, with the active participation of all stakeholders in the social, environmental and economic sectors ”actions and international cooperation, as a contribution towards achieving sustainable development throughout the world”.

**FAO Code of Conduct for Responsible Fisheries:** The Code of Conduct is a collection of principles, goals and elements for action representing a global consensus or agreement on a wide range of fisheries and aquaculture issues. It stresses that countries and all those involved in fisheries and aquaculture should work together to conserve and manage fish resources and their habitats. Fishing operations and policies should be designed with a view to achieving long-term sustainable use of fish resources as a means of assuring resource.

### **3.3 IFAD Safeguard Policies**

#### **1. Environment and Natural Resources Management (ENRM) Policy**

IFAD's Environment and Natural Resource Management Policy notes that value chain projects like agricultural development projects, have the potential to generate positive environmental impacts. Therefore, the value chain approach to development have been promoted to enhance environmental and climate resilience in the agriculture and rural development sectors. Investing in value chain development to drive green growth is one of the ten principles of IFAD's Environment and Natural Resource Management Policy (ENRM).

Accelerating environmental degradation is eroding the natural asset base of poor rural people. Environmentally damaging agricultural practices are a major driver of these challenges. The knowledge and technology exist to tackle these challenges and IFAD has years of experience helping poor rural communities manage their natural resources, but it has the potential to do a lot more (IFAD, 2011).

The goal of the ENRM policy is: "To enable poor rural people to escape from and remain out of poverty through more-productive and resilient livelihoods and ecosystems".

Its purpose is: "To integrate the sustainable management of natural assets across the activities of IFAD and its partners".

The policy sets out 10 core principles to guide IFAD's support for clients in ENRM. The principles include both the core issues to be addressed and suggested approaches (section II.A). In summary, IFAD will promote:

- Scaled-up investment in multiple-benefit approaches for sustainable agricultural intensification,
- Recognition and greater awareness of the economic, social, and cultural value of natural assets,
- 'Climate-smart' approaches to rural development,
- Greater attention to risk and resilience to manage environment- and natural-resource-related shocks,
- Engagement in value chains to drive green growth,
- Improved governance of natural assets for poor rural people by strengthening land tenure and community-led empowerment,
- Livelihood diversification to reduce vulnerability and build resilience for sustainable natural resource management.
- Equality and empowerment for women and indigenous peoples in managing natural resources.
- Increased access by poor rural communities to environment and climate finance; and
- Environmental commitment through changing its own behaviour.

#### **2. IFAD Strategy and Action Plan on Environment and Climate Change 2019-2025**

The strategy's purpose is to guide IFAD in addressing environment and climate change across all its policies, strategies and operations. The main objective underlying this strategy is enhanced resilience of smallholder farmers and rural communities to environmental degradation and climate change impacts. This will ultimately provide the foundation for more prosperous livelihoods today and in the future. IFAD will contribute to meeting this objective through the following outcomes:

Governments are increasingly effective in integrating environment and climate change objectives and considerations into smallholder agriculture and other rural development policies and programmes.

IFAD has the skills, capacity, partnerships, systems and resources needed to fully support governments in integrating environment and climate change into rural development policies and programmes.

IFAD investments contribute to the generation of environmental assets and services, and global public goods that make the livelihoods of poor rural people more prosperous and resilient, and IFAD's own operations more environmentally sustainable.

IFAD becomes a global leader in generating knowledge on managing sustainable rural livelihoods enabling IFAD to play a greater advocacy role in supporting global efforts to build a healthy planet.

### **3. IFAD's Strategy and Action Plan on Environment and Climate Change 2019-2025:**

The speed and intensity of climate change are outpacing the ability of poor rural people and societies to cope. The natural environment and climate change influence the lives of poor rural people in critical ways. Sustained agricultural productivity and economic success depend on reliable access to environmental goods and services, as well as the assets and capacities to withstand environmental and climate hazards and shocks.

IFAD has formulated this strategy to address environment and climate change issues across all its policies, strategies and operations. The main objective of the strategy is to enhance the resilience of smallholder farmers and rural communities to environmental degradation and climate change impacts.

Thus, IFAD is enhancing its approach to rural development in the context of increasing environmental threats, including climate change. As IFAD will continue to target its investments at the poorer and often most climate-change affected people – whose livelihoods depend largely on agriculture and natural resources – particularly at women as producers and indigenous people as stewards of natural resources, it has put in place measures to address the adversarial climate changes. The Strategy recognises that climate-related risks, and potential opportunities, can be addressed more systematically within the different projects and policy advice. This will be done by being alert to new sources of risk, and exploring more opportunities like rewarding emissions reductions (IFAD, 2018)

### **4. IFAD Policy on Improving Access to Land and Tenure Security**

Secure access to productive land is critical to the millions of poor people living in rural areas and depending on agriculture, livestock, or forests for their livelihood.

It reduces their vulnerability to hunger and poverty; influences their capacity to invest in their productive activities and in the sustainable management of their resources; enhances their prospects for better livelihoods; and helps them develop more equitable relations with the rest of their society, thus contributing to justice, peace, and sustainable development (IFAD, 2008)

The Fund's first strategic objective is to help "ensure that, at the national level, poor rural men and women have better and sustainable access to ... natural resources (land and water), which they are then able to manage efficiently and sustainably." Land access and tenure security issues are linked, directly or indirectly, to all the strategic areas of IFAD's interventions.

The IFAD Policy on Improving Access to Land and Tenure Security has been formulated to: (a) provide a conceptual framework for the relationship between land issues and rural poverty, acknowledging the complexity and dynamics of evolving rural realities; (b) identify the major implications of that relationship for IFAD's strategy and programme development and implementation; (c) articulate guiding principles for mainstreaming land issues in the Fund's main operational instruments and

processes; and (d) provide the framework for the subsequent development of operational guidelines and decision tools.

In the policy, land refers to farmland, wetlands, pastures, and forests. Land tenure refers to rules and norms and institutions that govern how, when and where people access land or are excluded from such access. Land tenure security refers to enforceable claims on land, with the level of enforcement ranging from national laws to local village rules, which again are supported by national regulatory frameworks. It refers to people's recognized ability to control and manage land – using it and disposing of its products as well as engaging in such transactions as the transferring or leasing of land.

## **5. IFAD Indigenous Peoples' Policy**

This Policy on Engagement with Indigenous Peoples aims to enhance IFAD's development effectiveness in its engagement with indigenous peoples' communities in rural areas. It sets out the principles of engagement IFAD will adhere to in its work with indigenous peoples, and the instruments, procedures and resources IFAD will deploy to implement them.

Indigenous people account for an estimated 5 per cent of the world's population, but 15 per cent of those people living in poverty. In many countries, rural poverty is increasingly concentrated in indigenous and tribal communities.

IFAD's Strategic Framework identifies indigenous peoples as an important target group because they face economic, social, political, and cultural marginalization in the societies in which they live, resulting in extreme poverty and vulnerability for a disproportionate number of them. To reach them requires tailored approaches that respect their values and build upon their strengths. In its engagement with indigenous peoples, IFAD will be guided by nine fundamental principles: (a) cultural heritage and identity as assets; (b) free, prior, and informed consent; (c) community-driven development; (d) land, territories, and resources; (e) indigenous peoples' knowledge; (f) environmental issues and climate change; (g) access to markets; (h) empowerment; and (i) gender equality.

The formulation of the ESCMF document recognises these principles so that they can be implemented throughout the project cycle.

## **6. Gender Equality and Women's Empowerment Policy (2012)**

IFAD's Gender Policy goal is to deepen the impact and strengthen the sustainability of IFAD supported development initiatives, in order to increase IFAD's impact on gender equality and strengthen women's empowerment in poor rural areas. The Policy has three strategic objectives:

**Strategic objective 1:** Promote economic empowerment to enable rural women and men to have equal opportunity to participate in, and benefit from, profitable economic activities.

**Strategic objective 2:** Enable women and men to have equal voice and influence in rural institutions and organizations.

**Strategic objective 3:** Achieve a more equitable balance in workloads and in the sharing of economic and social benefits between women and men.

To achieve these objectives, the Policy outlines five action areas aiming to: (i) Systematically address gender equality and women's empowerment issues in IFAD supported country programmes and

projects; (ii) Improve IFAD contributions to advocacy, partnerships and knowledge management on gender equality; (iii) Strengthen capacity of partners to address gender issues in agriculture and rural development; (iv) Develop corporate approaches and procedures with IFAD that support gender and diversity; and (v) Ensure IFAD's corporate human and financial resources, and monitoring and accountability systems fully support gender equality and women's empowerment.

## **7. IFAD Poverty Targeting, Gender Equality and Empowerment**

Poverty targeting, gender equality and empowerment are cornerstones of IFAD's work to reduce rural poverty and food and nutrition insecurity. This puts people – rural women, men, youth, and indigenous peoples – at the centre of IFAD's development projects and policy engagement. This unique approach aims to support the development of inclusive, equitable, sustainable, and resilient rural societies and agriculture sectors that are food secure and able to take advantage of the opportunities provided by growing markets, thus providing a springboard to rural transformation. Thus, IFAD has developed a deliberate Policy to address this issue.

## **8. IFAD Policy on Youths**

IFAD recognizes that the role of agriculture in the rural economy is changing. It has become clear that the failure of rural economies to deliver decent work to their young people affects national economies, threatens political stability, nurtures extremism, and causes socially and economically disruptive migration. Youth are two to three times more likely than adults to be unemployed. Rural youth, especially young women and girls, are often excluded from participation in organizational structures, decision-making and leadership of political processes. Rural young women and girls also have additional burdens related to early marriage and pregnancy, leading to further exclusion due to intergenerational cycles of malnutrition and poverty. Overall, rural young people have limited access to opportunities and resources such as land ownership, water, markets and finance. Yet they have the potential to become the driving force for inclusive rural transformation. Creating decent job opportunities for rural young women and men and tapping into their potential for innovation and entrepreneurship can generate significant social and economic returns for rural areas in the developing world, making it an effective target for development cooperation.

## **9. IFAD Rural Youth Action Plan**

This Rural Youth Action Plan sets out the framework and guides youth-sensitive agriculture and rural development investments at IFAD. In short, a "youth-sensitive" project is one that describes youth and its context-based challenges and opportunities in the project design analysis;

informs a targeting strategy that explicitly targets youth with concrete objectives and activities to achieve impact in priority areas (see below), expressed as part of the project's theory of change, approach and results framework; and allocates resources to deliver activities targeting youth.

This working definition of "youth-sensitive" will be refined on the basis of IFAD's experience in youth-sensitive programming and backed up by practical guidance. The official United Nations definition of "youth" is people between 15 and 24 years of age, but countries often adopt different definitions. All IFAD's country strategic opportunities programmes and project designs will define youth on the basis of a country's own definition.

## 10. IFAD Nutrition Action Plan 2019-2025

The Nutrition Action Plan (NAP) sets out the framework to guide IFAD’s actions to accelerate mainstreaming of nutrition into its investments. Building on achievements and lessons learned from IFAD’s first Nutrition Action Plan (2016-2018), this NAP deepens IFAD’s commitments to nutrition mainstreaming while leveraging the organization’s comparative advantage. IFAD plays a unique role among development actors committed to improving nutrition, given its dual nature as a United Nations specialized agency in smallholder agriculture and rural development, and as an international financial institution that can provide governments with the finance needed to make lasting and effective investments in nutrition.

As a people-centred organization, IFAD’s comparative advantage is that it specifically targets the poor and most vulnerable households in rural areas (including women, children, youth in particular adolescent girls and indigenous peoples). Effective targeting of these nutritionally vulnerable groups is essential for achieving nutrition results while “leaving no one behind”. By investing in nutrition-sensitive agriculture and food systems, IFAD aims to improve the quality of the diet of its beneficiary rural populations. IFAD’s primary objective is to ensure that acceptable, diverse, nutritious and safe foods, adequate to meet the dietary needs of people of all ages, are available and affordable at all times. Although IFAD has traditionally focused on under- nutrition, improving dietary quality allows IFAD to address all forms of malnutrition (including micronutrient deficiencies and overweight/obesity).

### 3.4 Social, Environmental and Climate Assessment Procedures (SECAP)

Social, environmental and climate sustainability is critical for achieving IFAD’s mandate. Projects and programmes that foster social, environmental and climate sustainability rank among the Fund’s highest operational priorities. SECAP lays out an improved framework and process for managing risks and impacts, and integrating mainstreaming priorities into new IFAD supported investments. SECAP applies to all investments in IFAD’s programme of loans and grants, and all non-sovereign operations (NSOs) for which IFAD financing is sought. These procedures also apply to IFAD’s technical assistance. The procedures strengthen the Fund’s relationships with: the countries, rural communities and private companies it aims to support; stakeholders in development initiatives; and the broader development cooperation and donor community

There are nine SECAP standards set out the requirements that the project should meet through the its life cycle, The Standards should be read in their entirety and cross-referenced as necessary during sub-project design and implementation. The Standards are based on good practices of the United Nations, international financial institutions and multilateral development banks. The standards do not only include information on how to manage environmental, social and climate risks and impacts, but explain how to enhance development opportunities. MIMAIP should oversee that all sub-projects operate in a manner consistent with SECAP Standards, as reflected in their contracts’ ESCMPs. These plans must be prepared by the sub-projects based on this current ESCMF and ESCMP. Table 6 below highlights the standards and their relevance to PROPEIXE:

Table 3: SECAP Standards and relevance to PROPEIXE

Standard	Standard Description	More Relevant	Less Relevant
Standard 1:	Biodiversity conservation		
Standard 2:	Resource efficiency and pollution prevention		
Standard 3:	Cultural heritage		



Standard 4:	Indigenous peoples		
Standard 5:	Labour and working conditions		
Standard 6:	Community health and safety		
Standard 7:	Physical and economic resettlement		
Standard 8:	Financial intermediaries and direct investments		
Standard 9:	Climate change		

Included in SECAP are a series Guidance Statements which are used in guiding the programme in avoiding and mitigating any impacts that may arise due to the project. These include:

**Table 4: IFAD Guidance Statements**

GUIDANCE STATEMENT	Application		RELEVANCE
	Less Relevant	More Relevant	
Guidance statement 1 – Biodiversity		√	PROPEIXE is centred on conservation and restoration of ecosystems and biodiversity
Guidance statement 2 – Agrochemicals	√		No chemicals are expected to be used directly in the project
Guidance statement 3 – Energy		√	The project is promoting renewable energy sources for fish production and processing to reduce pressure on the forest and mangrove resources
Guidance statement 4 – Fisheries and aquaculture		√	PROPEIXE is a fisheries development project, however, no aquaculture sub activities will be funded.
Guidance statement 5 – Forest resources		√	PROPEIXE will be promoting conservation and restoration of forest resources through reducing dependency through reforestation and afforestation.
Guidance statement 6 – Rangeland-based livestock production	√		The project is not focussing on livestock production but it is a priority in terms of alternative livelihoods aimed at reducing pressure at the sea.
Guidance statement 7 – Water (agricultural and domestic use)	√		The project is not focussing on agriculture but it is a priority in terms of alternative livelihoods aimed at reducing pressure at the sea.
Guidance statement 8 – Dams, their safety and SECAP	√		The Project is considering coastal activities only and not inland fisheries. There are concerns however of salt-water intrusion into fresh water bodies caused by sea level rise.

Guidance statement 9 – Physical cultural resources		√	Evidence of the likelihood to encounter cultural artefacts along the coast is there. The project will activate Chance Finds Procedure when necessary
Guidance statement 10 – Rural roads		√	Climate resilient roads will be rehabilitated to facilitate market linkages from landing areas.
Guidance statement 11 – Development of value chains, microenterprises, and small enterprises		√	The development goal of the project is to increase incomes and enhance market opportunities and this will be done through forging partnerships with established enterprises, small and micro at different levels
Guidance statement 12 – Rural finance (under revision)		√	Approximately 57,500 people will get access to finance to enhance their enterprises and build resilience against natural and social risks.
Guidance statement 13 – Physical and economic resettlement		√	The project will not be displacing nor resettling people but the imposition of strict fishing regulations is likely to result in temporary economic displacement.
Guidance statement 14 – Community health		√	Issues of communicable and vector borne diseases are high because of the geographical targeting of the project. The project will be activating several health management plans throughout implementation.

### 3.4.1 Summary of Triggered Safeguards, Assessments and Plans

SECAP covers the entire programme/project cycle and relies on several tools and methods to ensure that social, environmental and climate considerations are adequately considered in project design, implementation, operation and monitoring. Table below list the most relevant tools and methods applicable to PROPEIXE and briefly explains context of applicability.

**Table 5: PROPEIXE Triggered Safeguards**

No.	Context /Objective	Triggered Safeguard/Plan	Status
1	Practical tool during project formulation, design, implementation and monitoring describing steps involved in identifying and mitigating potential environmental social and climate impacts of future investment activities	Environmental, Social and Climate Framework (ESCMF)	Current Document
2	To ensure that impacts, risks and liabilities identified are effectively managed during the construction, operation and closure of the proposed project	Environmental, Social and Climate Plan (ESCMP)	Included in current document

3	Genuine inclusion, disclosure, and respect for Indigenous Peoples decision-making processes.	Free, Prior and Informed Consent Implementation plan (FPIC)	Annex
4	Possibility of diverging and/or contradicting views during implementation requires a formal procedure to receive and facilitate resolution of concerns and complaints	Grievance Redress Mechanism (GRM)	Annex
	To achieve a transparent decision-making process with greater input from stakeholders and their support in a coordinated manner	Stakeholder Engagement Plan (SEP)	Annex
6	To assist sub-projects and other stakeholders determine relevant climate adaptation options throughout the project	Targeted Adaptation Assessment (TAA)	Volume II

These plans will be developed for the subprojects by the NGOs, Private sector and PFIs, consultants and/or contractors undertaking the works with oversight from the designated Environmental, Social and Climate specialists for the project.

The targeting approach and strategy for PROPEIXE include considerations on how the choice of value chain players and steps within the value chain prioritize pro-poor outcomes. A gender analysis of potential value chains should be planned, and the strategies and measures for promoting gender transformative approach should be clearly identified. Detailed analysis of the specific constraints that the youth experience along the selected value chains and how PROPEIXE will tackle these challenges would contribute to a clear strategy on social inclusion. A complete situation analysis on access to markets, pricing regime and different coping strategies should be carried out regularly throughout the project. An assessment on nutrition and nutritional needs of different age groups, the adequacy of dietary intake, food habits, feeding and caring practices, including sources and availability of food should be carried out continuously. The various analyses should be embedded in the 4Ps proposal where applicable.

Furthermore, sub-projects that will involve construction of infrastructure, fish processing facilities, and rural roads may necessitate development of site/specific standard operating procedures, particularly if contractors are hired for specific construction works, to ensure environmental protection, community and occupational health and safety and other risks and hazards. With guidance from the Environmental and Social Safeguard specialists the following (but not limited to) will need to be developed early into project implementation:

- i. Disaster Risk Management Plan
- ii. Natural Resources and Environmental Management Plan
- iii. Pollution Contingency Plan (for water sources)
- iv. Labour Assessment and Management Plan
- v. Health and Safety Management Plan
- vi. Sexual Exploitation, Abuse and Harassment & Gender Based Violence (GBV) Plan
- vii. Waste Management Plan
- viii. Traffic Management Plan

### **3.4.3 Free, Prior and Informed Consent in IFAD Investment Projects (FPIC)**

In case of resettlement or economic displacement, SECAP emphasises the application of the principles of “do no harm” and “free, prior and informed consent” at all times and for all beneficiaries for any intervention that might affect the land access and user rights of communities.

Free, prior, and informed consent (FPIC) is an operational principle empowering local communities to give or withhold their consent to proposed investment and development programmes that may affect their rights, access to lands, territories and resources, and livelihoods (IFAD, 2015). FPIC is solicited through consultations in good faith with the representative institutions endorsed by communities. It ensures that they participate in decision-making processes concerning a given development project.

- Consent should be sought in a way that is “free, prior and informed”<sup>17</sup>:
- Free implies no coercion, intimidation, or manipulation.
- Prior implies that consent has been sought sufficiently in advance of any decision point or commencement of activities.
- Informed implies that information provided covers all relevant issues to make decision maker fully enlightened.
- Consent is the expected outcome of the consultation, participation, and collective decision-making process by the local communities.

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<sup>17</sup> United Nations Development Group (UNDG), Guidelines on Indigenous Peoples’ Issues, 2009:30

## **4. Potential Programme Impacts and Mitigation Measures**

### **4.1 Introduction**

The Project Development Objective is to increase the sustainability of fishery value chain returns, by promoting responsible fisheries, community conservation and restoration of ecosystems and biodiversity, while also supporting fishery community resilience through diversification of livelihoods. To a large extent therefore, the implementation of the project will result in positive impacts on biodiversity and environmental conditions in target conservation areas and their landscape, as well as in the improvement of the living conditions and well-being of communities directly impacted by the subprojects. Social benefits are expected to include creation of job opportunities (including for women and youth), improvement in income generation through enhancement of current and establishment of new value chains and improvement in community organization and skills development. PROPEIXE was classified as Substantial because the project's potential negative environmental and social effects may pose risks to the environment and humans but are reversible through proposed mitigation actions.

This section identifies and assesses environmental, social and climate risks and impacts that may affect the achievement of PROPEIXE objectives and/or result in negative effects arising from the implementation of the project and its subprojects. These need to be identified and assessed during the preparation of subprojects so that measures to avoid, minimise, mitigate or compensate can be proposed for effective management of the potential impacts and risks.

The current assessment is based on the analysis of the activities proposed in the different components of the Project (see table below), the environmental, social and climate characterization of the area presented in the baseline and taking into account the environmental, social and climate requirements by IFAD and the GoM. The key potential impacts and risks are highlighted to guide impact assessment during preparation for subprojects.

The general assessment of the proposed project reveals that most of the likely adverse impacts could be avoided, minimized or eliminated with timely implementation of the standard mitigation measures outlined in Management Plan. There is also scope to enhance some of the beneficial impacts to be generated from the proposed project. Enhancements and possible mitigation measures for the identified risks and impacts are presented in Table 5.

### **4.2 Positive Impacts**

The overall goal of the project is to improve the resilience, incomes, livelihoods, food security and nutrition of rural poor households involved in artisanal fisheries. The development objective is to increase the returns from fish sales for artisanal fisheries and small market operators on a sustainable basis. It is important to note that PROPEIXE efforts at supporting the economic viability of the artisanal fisheries sector are combined with management measures aimed at the sustainability of the natural resources that are essential for fish stocks. The project has nutrition, gender and youth co-benefits which are not only strategic for sustainability but fulfils the social inclusion development agenda. This project is expected to have numerous positive impacts including the selected few;

**Biodiversity conservation** - The programme will engage in various biodiversity conservation measures which include rehabilitation and protection of coastal ecosystem and biodiversity within mangroves, coral reefs, seagrass beds and estuaries through developing and implementing fisheries management plans. The project will support diversifying artisanal fishing operations away from the shore. Training will be provided to fishing communities on good fishing practices, restocking, alternative production

systems and sustainable harvesting of fish. Effective fisheries management will translate to enhanced coastal habitats, fish regenerative capacity and protection of protected species. Rehabilitation works will also be sustained.

**Protection of coastal land degradation** – The project will promote mangrove restoration through the development of mangrove tree nurseries and production of mangrove seedlings for both planting and re-planting, which will result in the protection of coastal erosion and micro-climate balance.

**Climate adaptation and resilience** - The project will promote interventions that increase resilience to climate change including climate-resilient infrastructure, climate-smart practices/technologies, renewable energy, tailored finance and insurance mechanisms. Early warning systems and improved access to weather and climate information will be promoted by the project thereby increasing community preparedness planning. The project will also promote sustainable and resilient artisanal fisheries in order to increase their contribution, in a more inclusive and equitable way, to the socio-economic development of the fishing sector.

**Community Fisheries Councils** – Aligning the project with the Government established decentralised co-management system of CCPs will contribute to greater community involvement in fisheries monitoring, inter-community awareness and education as well as data gathering. Formation/revitalization of CCPs will facilitate meaningful community participation in management planning of fisheries in the project sites.

**Job creation** - the project will create opportunities for employment, particularly for women and young people, and will contribute to improving the quality of life in the perspective of enhanced incomes, reduction of malnutrition and poverty and a pathway to better opportunities in the fisheries sector.

**Modernization and motorization** – The project will promote acquisition of modern and motorised fishing vessels aimed at promoting fishing in the open sea not only to reduce pressure on the coastal areas but to access fish of the highest value.

**Accessibility** – The project will support various infrastructure meant to support value chains such as roads to improve the blue chain (from catching, landing, processing, transportation to the consumer) which will enhance commercialisation goal of the project but ultimately, improving the quality of life of the beneficiary community.

**Food and Nutrition Co-benefits:** The Project intends to work with the beneficiary communities with the aim of improving food and nutrition security especially for vulnerable households.

**Alternative Livelihoods** - The project will also promote alternative livelihoods that reduce pressure from marine resources that are less vulnerable to climate change impacts and support the adoption of climate-smart practices. Examples of possible alternative livelihoods based on stakeholder consultation could be bee keeping for honey production in the mangroves which entails protection of vegetation for the bees to collect nectar. The mangrove canopy is an important control on the variation of climatic attributes at a microclimatic scale.

**Gender, Youth and Social Inclusion:** The project places a strong emphasis on social inclusion, with ambitious goals for the inclusion of women and youth in the fisheries value chain through targeted financial and technical support to promote efficient production systems, enhance participation and hence economic empowerment. The project also aims to support development of a Gender Policy and action plan in the Artisanal Fisheries sector to give women voice and power within the value chain.

### **4.3 Negative Impacts**

PROPEIXE will be implemented at the backdrop of two contextual risks which are likely to impact on the project to a greater extent; i) Extreme weather events in the form of tropical cyclones and floods which have left a devastating trail across the country. Another looming disaster in form of El Nino induced drought is also developing although accurate information is not yet available. ii) Environment of uncertainty as a result of social unrest in the northern region although Government has put in measures have been put in place to maintain peace. The project is however committed to take the necessary measures to minimise the impact on the project, its subprojects and affected community.

The majority of negative impacts and risks of the project are emanating from Component 2 which focuses on developing a sustainable fisheries value chain, built on the concept of building climate resilience, environmental sustainability, provision of infrastructure, services and linkages.

However, these impacts are predictable, at moderate scale, localised, mostly temporary, and can be mitigated through appropriate design, effective management and supervision of contractors, and close consultation with authorities, beneficiaries and other stakeholders. Site and context-specific impacts and mitigation measures should be considered by each sub-project.

Table 6: Negative Impacts

No.	CATEGORY	CAUSE	IMPACT	MITIGATION MEASURES
<b>PROJECT MANAGEMENT AND COORDINATION</b>				
1	<b>Poor stakeholder engagement and lack of ownership</b>	<ul style="list-style-type: none"> <li>- Failure to include all relevant stakeholders at design, planning and implementation</li> <li>- Weak coordination of project activities</li> <li>- Multiple Coordination mechanisms with different institutions and stakeholders at different levels</li> <li>- Unclear roles and responsibilities</li> </ul>	<ul style="list-style-type: none"> <li>- Stakeholder apathy throughout the project</li> <li>- Low sense of ownership</li> <li>- Failure to meet target</li> <li>- No unified problem solving and decision making</li> <li>- Low project sustainability</li> </ul>	<ul style="list-style-type: none"> <li>- Stakeholder Engagement Plan</li> <li>- Sign result-based MoU/agreements/contracts</li> <li>- Engage, outline, agree and disseminate clear roles and responsibility of all stakeholders</li> <li>- Make use of clear channels of communication</li> <li>- Enhance performance monitoring system</li> </ul>
2	<b>SECAP in project management</b>	<ul style="list-style-type: none"> <li>- Lack of knowledge from project stakeholders on SECAP and how it applies to projects</li> <li>- No commitment to SECAP during project implementation</li> <li>- Limited knowledge and capacity to manage conflicts in the project</li> </ul>	<ul style="list-style-type: none"> <li>- Failure to mainstream good environmental, social and climate practices into the project</li> <li>- Short term to long term irreversible damage to the environment, climate and the beneficiary population</li> <li>- Unsatisfactory and unfair management of issues at community and project level</li> </ul>	<ul style="list-style-type: none"> <li>- The project should have ESC safeguards specialist with backstopping support from trained district technical and field officers in the project implementation team</li> <li>- There is need for training and support for the PMU and subprojects on SECAP standards</li> <li>- Community involvement in environmental impact assessment processes should be strengthened</li> <li>- Communities should be provided with training to assist in participatory monitoring and reporting of ESC issues</li> <li>- Develop, disseminate, support and strengthen GRM procedures prior and throughout the project lifetime</li> </ul>
3	<b>Implementation challenges Including delays</b>	<ul style="list-style-type: none"> <li>- Weak coordination of project activities</li> <li>- Implementation delays including delays in disbursement of funds to sub-projects</li> </ul>	<ul style="list-style-type: none"> <li>- Failure to meet environmental, social and climate targets</li> <li>- Reduced confidence among project stakeholders</li> </ul>	<ul style="list-style-type: none"> <li>- Reduce time between project conception and fund disbursement</li> <li>- Use of start-up funds and/or retroactive financing</li> <li>- Systematic follow up of all the conditions of disbursement</li> <li>- Enhance timeous participatory process monitoring</li> <li>- Provide appropriate technical assistance</li> <li>- Project Disaster Risk Reduction and Management/contingency Plan</li> </ul>



No.	CATEGORY	CAUSE	IMPACT	MITIGATION MEASURES
		<ul style="list-style-type: none"> <li>- Risk of probable institutional changes within MIMAIP<sup>18</sup> and provincial and district setup</li> <li>- Inadequate capacity of the provincial and district level<sup>19</sup></li> </ul>	<ul style="list-style-type: none"> <li>- Incomplete, disused and/or unutilised project infrastructure and services<sup>20</sup> (white elephants)</li> </ul>	
4	<b>Change in Context</b>	<ul style="list-style-type: none"> <li>- External risks (extreme weather events)</li> <li>- Escalating social unrest leading to displacement</li> </ul>	<ul style="list-style-type: none"> <li>- Project stoppage</li> <li>- Failure to access project beneficiaries</li> <li>- Change of (country or specific project areas) focus from development to humanitarian</li> </ul>	<ul style="list-style-type: none"> <li>- Compressive Disaster Risk Reduction and Management/contingency Plan</li> <li>- Tailored implementation approach to areas at high risk</li> <li>- Interventions based on the vulnerability and conflict assessment recommendations</li> </ul>
<b>BIODIVERSITY AND ENVIRONMENTAL SUSTAINABILITY</b>				
5	<b>Habitat loss and biodiversity disturbances</b>	<ul style="list-style-type: none"> <li>- Overreliance on fishing as only source of livelihood thereby putting pressure on coastal resources</li> <li>- Over exploitation of mangroves for firewood</li> <li>- Poor land and water management activities</li> <li>- Vegetation clearing during construction of various fisheries infrastructure</li> <li>- Construction as required for value chain improvement</li> <li>- inadequate restoration approach</li> </ul>	<ul style="list-style-type: none"> <li>- Degradation of coastal ecosystems</li> <li>- Habitat loss and biodiversity disturbances which will force animals to migrate,</li> <li>- Destruction of flora and fauna thereby causing ecosystem imbalances.</li> <li>- Migration of small pelagic fish as they are highly and susceptible to sea surface temperature changes</li> <li>- Coral reefs, sea grass and seaweeds, and nesting sites (turtles and birds) and</li> </ul>	<p><b>Environmental protection</b></p> <ul style="list-style-type: none"> <li>- Develop a clear plan for natural resource management within the framework of the project</li> <li>- Improvement of coastal defense by rehabilitation and protection of coastal ecosystem and biodiversity hotspots, including mangroves reforestation, seagrass, coral reefs and promoting mariculture in potential coastal areas is required</li> <li>- Preserve sensitive species through clear assessment of the presence and behavior (e.g., nesting turtles),</li> <li>- Avoid and monitor the introduction of invasive flora or fauna species</li> </ul> <p><b>Fisheries Management, Equipment and Infrastructure</b></p> <ul style="list-style-type: none"> <li>- Strengthening community-based conservation and restoration of ecosystems and biodiversity through CCPs, and establishment of community management areas, and interventions to preserve the ecosystems and biodiversity</li> </ul>

<sup>18</sup> E.g., extinction of IDPPE. General elections are due to be held in 2024

<sup>19</sup> Extension support specifically for fisheries was cited as a major challenge during stakeholder consultation. The current support system at district level is more agriculture oriented.

<sup>20</sup> It was established that more than four market infrastructures across the provinces constructed under previous projects were either incomplete, abandoned or could not be used because the matters were under the court of law (Govuro market)

No.	CATEGORY	CAUSE	IMPACT	MITIGATION MEASURES
			<p>endangered species will be also affected</p> <ul style="list-style-type: none"> <li>- Pollution of Land and water</li> <li>- Acidification of the sea which negatively affects marine species and also decreases storm protection from reefs (Clams, mussels, crabs, corals, and other sea life rely on carbonate ions to grow their shells and thrive)</li> <li>- Deterioration of Fish quality impacting on the flow of the value chain</li> <li>- Possible ecosystem shift from mangrove forest resulting in reduced ecosystem resilience against harsh extreme events</li> <li>- Lost ability to provide the fundamental services upon which human well-being depends</li> </ul>	<ul style="list-style-type: none"> <li>- Adapt and upgrade existing coastal infrastructure using nature-based approaches.</li> <li>- Promote motorisation of small-scale fishing boats and fishing gear improvements fit for open sea fishing to reduce pressure at the coast</li> <li>- Discourage the use of beach trawls and other harmful and indiscriminate activities</li> <li>- Put measures to protect fish in the open sea</li> <li>- Promote construction of boats using wood obtained from sawmills to avoid indiscriminate cutting of trees, especially protected tree species.</li> <li>- Promote construction of floating cages using PVC materials, which are less polluting to the environment, avoiding the cutting of mangrove species and thus reducing the pressure on natural resources</li> <li>- Promoting the proper handling of fishing products in order to prevent disease and environmental pollution</li> </ul> <p><b>Management, Awareness and Education</b></p> <ul style="list-style-type: none"> <li>- Develop site specific Environmental, Social and Climate Management Plans (ESCMPs) to minimise negative environmental impacts</li> <li>- Strengthen environmental education and co-management through capacity building of CCPs to promote sustainable use of common natural resources</li> <li>- Enhance enforcement of natural resource management plans through appropriate recognition and empowering of CCPs's</li> <li>- Enhance research capacity for monitoring natural resources</li> </ul>
6	<b>Over-exploitation of fish including by-catch and illegal catches</b>	<ul style="list-style-type: none"> <li>- Bad attitudes and practices. Community belief that fish is a God given gift and is an infinite resource.</li> <li>- Exploitation of non-target species (by-catch)</li> <li>- Failure to respect no-taxi zones, seasonal fishing regulations and using inappropriate fishing gear</li> </ul>	<ul style="list-style-type: none"> <li>- Increase of percentage of stocks fished at biologically unsustainable levels</li> <li>- Negative impacts on biodiversity and ecosystem functioning,</li> <li>- Reduces fisheries production, which subsequently leads to</li> </ul>	<p><b>Environmental Protection</b></p> <ul style="list-style-type: none"> <li>- Engage project beneficiaries in conservation awareness raising and training to reduce frequency of mass harvesting</li> <li>- Engage and train carpenters to build suitable boats</li> <li>- Conduct continuous meetings to raise awareness on the need to use fishing methods that do not destroy the aquatic ecosystem</li> </ul> <p><b>Fisheries Management, Equipment and Infrastructure</b></p>

No.	CATEGORY	CAUSE	IMPACT	MITIGATION MEASURES
		<ul style="list-style-type: none"> <li>- Indiscriminate catch through practice of beach trawling</li> <li>- illegal use of fine mesh nets (chicocota) nets in estuaries which indiscriminately capture a variety of marine species</li> </ul>	<ul style="list-style-type: none"> <li>- negative social and economic consequences</li> <li>- Extinction of other species e.g., pelagic species, sharks, turtles etc</li> </ul>	<ul style="list-style-type: none"> <li>- Working with CCPs and helping them promote and develop new technologies and gear for more efficient operations</li> <li>- Consider modifying fishing gear so that fewer non-target species are caught or can escape</li> <li>- Consider limiting (or gradual closure) trawling areas where undersized fishes are concentrated or adopting sorting devices rather than further increasing the mesh size in the net</li> <li>- Ensure little to no harvesting from the wild for brood stocks</li> <li>- Explore sustainable methods for offshore fishing to reduce the pressure on the coast</li> <li>- Promote fishing in areas where there is currently very little fishing effort and where the stocks are under exploited<sup>21</sup></li> </ul> <p><b>Management and Monitoring</b></p> <ul style="list-style-type: none"> <li>- Setting conservative target catch levels Fishing Effort through Catch per Unit Effort (CPUE)</li> <li>- Establish and implement monitoring protocols that perform frequent assessments on fish production and harvesting techniques. Consider piloting the use of camera systems and vessel monitoring systems to improve compliance and collect more accurate information for scientific analyses.</li> <li>- Enhance enforcement of biodiversity protection plans and establish monitoring and enforcement mechanisms as part of project activities</li> <li>- Promote alternative livelihoods e.g., ecotourism and training communities to become community or snorkeling guides</li> </ul>
7	<b>Alteration of land cover, Soil and land degradation</b>	<ul style="list-style-type: none"> <li>- Siting of proposed fisheries and associated infrastructure may alter land cover through cutting down of trees and removal of natural vegetation, soil trampling and compaction</li> </ul>	<ul style="list-style-type: none"> <li>- Soil erosion and contamination</li> <li>- Reduced water infiltration and drainage capacity</li> <li>- Sedimentation in the receiving waters causing effects such as coral reef damage</li> </ul>	<ul style="list-style-type: none"> <li>- Develop site specific management plans</li> <li>- The Contractors should make a daily inspection of earth works and ensure that slopes are suitably graded. Once earthworks are complete the Implementing Agent should monitor the restoration measures implemented by the Contractor, such as re-vegetation</li> <li>- The Contractors must clear area to be used and site works only</li> </ul>

<sup>21</sup> Site specific ESIA will be able to establish these areas

No.	CATEGORY	CAUSE	IMPACT	MITIGATION MEASURES
		<ul style="list-style-type: none"> <li>- Unsanctioned and unsustainable sand mining from the beaches for construction</li> <li>- Increased need of firewood for fish processing</li> </ul>	<ul style="list-style-type: none"> <li>- Contamination from diesel and lubricants</li> <li>- Depletion of sand budget along the coastline</li> <li>- Loss of valuable mangrove ecosystem services that benefit coastal communities, coastal land stabilization and storm protection</li> </ul>	<ul style="list-style-type: none"> <li>- Train communities and service providers on sustainable land development and preparation methods</li> <li>- Promotion of Ecosystem Approach to Fisheries in project sites</li> <li>- Involve other partners from the Ministry and research institutes in training farmers on soil conservation techniques</li> <li>- Adoption of modern processing methods (solar driers)</li> <li>- Compensatory tree plantation e.g., promotion of fast-growing trees to be used in afforestation as a sustainable solution</li> </ul>
8	<b>Drainage, congestion and water logging</b>	<ul style="list-style-type: none"> <li>- Poor engineering on proposed construction activities (access roads and fish processing infrastructure)</li> </ul>	<ul style="list-style-type: none"> <li>- Drainage congestion and water logging at the local area</li> </ul>	<ul style="list-style-type: none"> <li>- Design proper runoff properly that can withstand cyclones and flooding</li> <li>- Install regulators and culverts as required</li> </ul>
9	<b>Air Pollution and noise</b>	<ul style="list-style-type: none"> <li>- Construction of roads and fisheries infrastructure may generate emissions from excavation equipment, other machinery and construction traffic</li> <li>- vehicular movement, excavation machinery, concrete mixing, and other construction activities</li> <li>- Activities at landing sites and fish markets</li> </ul>	<ul style="list-style-type: none"> <li>- Particulate matter (dust) emissions, deterioration of ambient air quality and affect public health</li> <li>- The emissions may also include greenhouse gases (GHGs) from engine fuel combustion (exhaust emissions)</li> <li>- increased noise levels affecting nearby homesteads, schools and religious places</li> </ul>	<ul style="list-style-type: none"> <li>- Regular maintenance of vessels and other machinery/equipment</li> <li>- Encouraging reduction in engine idling during on- and off-loading activities</li> <li>- Where practical, siting of the new facilities should minimize travel distance from landing to loading facilities to storage areas</li> <li>- Provide information to the community prior to construction activities</li> <li>- Minimise by adoption of low noise equipment or installation of sound insulation fences</li> </ul>
		<ul style="list-style-type: none"> <li>- Drying of produce, processing of produce and processing waste from the packaging process</li> <li>- Rotting fish produce due to poor post-harvest handling.</li> <li>- Poor disposal of rotting fish</li> </ul>	<ul style="list-style-type: none"> <li>- Contaminated air affecting communities,</li> <li>- Attraction of diseases causing and nuisance pests</li> </ul>	<ul style="list-style-type: none"> <li>- Training sessions on improving the efficiency of fish processing</li> </ul>
10	<b>Land and water pollution</b>	<ul style="list-style-type: none"> <li>- Improper disposal of effluents at processing and landing</li> </ul>	<ul style="list-style-type: none"> <li>- These effluents can potentially contaminate the drinking water sources of the area and can also</li> </ul>	<ul style="list-style-type: none"> <li>- Local Environmental Management plans</li> <li>- Regular maintenance of vessels and other machinery/equipment</li> <li>- Encouraging reduction in engine idling during on- and off-loading activities</li> </ul>

No.	CATEGORY	CAUSE	IMPACT	MITIGATION MEASURES
		<ul style="list-style-type: none"> <li>- Oil leakage from vessels at anchorage area</li> <li>- Accidental leakage or spillage of hydrocarbons – fuels and oils and waste effluents, workshops/multipurpose facilities, power generation equipment &amp; storage failures</li> <li>- Marine litters and microplastic, end of life waste from equipment like boats, fishing gear, storage boxes, solar panels and batteries, waste from refrigeration systems include Chlorofluorocarbons generation Ozone depleting substance from old cooling systems</li> <li>- Wastewater contamination from fish handling and processing at landing sites</li> <li>- salt-water intrusion in freshwater ecosystems</li> </ul>	<p>be harmful for the natural vegetation, cultivation fields, water bodies, and aquatic flora and fauna</p> <ul style="list-style-type: none"> <li>- if they are not handled properly, it results in toxic and hazardous waste polluting water</li> <li>- salt intrusion causes losses in fish populations, poor water quality, and destruction of fishing infrastructure and equipment</li> </ul>	<ul style="list-style-type: none"> <li>- Avoid potential runoff especially passing through the areas with a high risk of accidental releases of oil or hazardous materials such as fuel. fuel transfer locations must pass through an oil trapping basin for separate oily residues and sedimentation before discharging into water bodies</li> <li>- Wet and Solid Waste Management Plans</li> <li>- Promote good solid waste management through practices such as recycling, reusable containers, bulk dispensers, frequent cleaning of beaches, etc.</li> <li>- Ensure that wet waste treatment systems are included in the sites facilities upgrade such as (i) wet waste handlings and drains and (ii) liquid waste handlings</li> <li>- Ensure fish processing facilities have adequate water supply,</li> <li>- Establish good wastewater management practices to avoid nutrient rich waters</li> <li>- Sewage systems and wastewater treatment plants must be designed to prevent them from the intrusion of saline water to ensure the systems are properly functional and its effluent always meets national regulations before discharging into water bodies</li> </ul>
<b>CLIMATE CHANGE</b>				
11	<b>Impact of Climate Change</b>	<p>The country is exposed to impacts of a variety of extreme natural events and is in the corridor of cyclones. Increased frequency and intensity of extreme events such as floods, tropical storms, cyclones, strong winds, heat waves and droughts are experienced</p>	<ul style="list-style-type: none"> <li>- Cyclical and increased vulnerability of communities, ecosystems and livelihoods under threat, destruction of HH economic assets and/or infrastructure and worsened food insecurity</li> <li>- Low adaptive capacity</li> </ul>	<ul style="list-style-type: none"> <li>- Awareness raising and preparedness training of communities and implementers</li> <li>- Developing a costed project specific Disaster Risk Reduction and Management/contingency Plan</li> <li>- Engaging with Meteorology Agency and media platforms for accurate and timeous climate information and weather forecasts generation and dissemination</li> <li>- Promoting a fusion of indigenous and technological Early warning system</li> <li>- diversifying fishing effort from the coastal area to the more distant open sea,</li> <li>- provision of fresh water access points</li> </ul>

No.	CATEGORY	CAUSE	IMPACT	MITIGATION MEASURES
			<ul style="list-style-type: none"> <li>- Destruction of project infrastructure. Road infrastructure in the coastal zone is particularly vulnerable to erosion through flooding and sea-level rise, which affects the ability of communities to trade and access health and other services.</li> <li>- Reduced fish catch leading to reduced HH incomes and nutrition intake</li> <li>- Community scepticism on investments</li> <li>- Physical and economic displacement</li> </ul>	<ul style="list-style-type: none"> <li>- improved storage facilities and practices to improve quality of produce and safety against temperature increase</li> <li>- promotion of solar energy for market infrastructures and cold storage facilities</li> <li>- weather information and early warning services to increase safety at sea for the project beneficiaries</li> <li>- Adequate adaptation measures in siting, designing and construction of infrastructure to ensure robustness. There is need for specific considerations for the type and housing of fisheries equipment</li> <li>- Diversification of livelihood options off coastal area including Savings and lending schemes/groups</li> <li>- Promoting weather indexed Insurance for the fisheries sector and other alternative non marine activities</li> <li>- Targeted adaptation assessment will be developed during design to assist in developing site-specific adaptation options</li> <li>- Governance efforts should aim to increase adaptive governance and resilience in fisheries communities as a response to the impacts of climate change and other environmental forces. Existing community structures such as CCPs should be more closely integrated with disaster risk preparedness</li> </ul>
12	<b>Significant increase in greenhouse gas emissions</b>	<ul style="list-style-type: none"> <li>- carbon emissions from the marine mechanized fisheries sector</li> <li>- use of electricity powered equipment</li> <li>- construction of roads and other infrastructure</li> <li>- fish production and processing</li> <li>- Chlorofluorocarbons (CFC) generation from end-of-life waste from equipment (fridges, batteries)</li> </ul>	<ul style="list-style-type: none"> <li>- Greenhouse gas emission thereby contributing to anthropogenic climate change</li> </ul>	<ul style="list-style-type: none"> <li>- Implementation of climate smart and environmentally sustainable practices</li> <li>- promote a sustainable exploitation of fish resources through: less invasive fishing tools and techniques</li> <li>- Promote use of renewable energy in fish processing (drying, storage and transportation)</li> <li>- Avoid the use of wood in construction to diminish the use of wood and decrease GHG emission</li> <li>- Renewable energy for less dependency to grid</li> <li>- Raise awareness on the need for transition from HCFC-22/HFC to HFO and natural refrigerants which is a non-ozone-depleting HFC refrigerant blend</li> <li>- Alternative processing/preservation methods not dependent on cooling (Dried, salted and smoked, Prepared and preserved) and drying rooms and smokehouses that reduce the use of coal</li> </ul>

No.	CATEGORY	CAUSE	IMPACT	MITIGATION MEASURES
<b>ARTISANAL FISHERIES MANAGEMENT AND COORDINATION</b>				
13	<b>Organisation and Formalisation of artisanal fisheries</b>	<ul style="list-style-type: none"> <li>- Weak CCPs in terms of clarity of mandate and little results to show on the ground</li> <li>- registration of artisanal fishermen not clear although</li> <li>- No organised and regulated unloading of fish</li> <li>- low level of control over the internal circulation of fish</li> <li>- limited fishing inspection capacity</li> </ul>	<ul style="list-style-type: none"> <li>- Poor participation</li> <li>- Too many ad hoc groupings with differing priorities</li> <li>- endangered sustainability of resources</li> <li>- poor compliance and poor compliance with health and hygiene standards due to inappropriate and packaging of fish</li> <li>- occurrence of losses post-harvest</li> </ul>	<ul style="list-style-type: none"> <li>- Support improved policies/appropriate legal framework for artisanal fisheries. Translating the new CCP regulations into a form understood by fishers who speak a multitude of languages.</li> <li>- Carrying out an assessment on CCPs current status in all the beneficiary areas</li> <li>- Facilitate a clear line of communication between the CCPs and local authorities</li> <li>- Create awareness and education on the need for CCPs and associated project and non-project benefits to communities</li> <li>- Revive, support and strengthen CCPs and encourage other fishermen and related value chain players to join the association</li> <li>- Advocate for a portion from fishing licence fees and Park fees to be allocated to CCPs to support their monitoring activities (according to Fisheries regulations)</li> <li>- Promote community empowerment and co-management through the CCPs with an emphasis on inclusive participation of fishermen in the definition, implementation and monitoring of fisheries management measures (setting up of management and monitoring systems that allow them to address issues)</li> <li>- Train and offer mentorship/counselling to CCPs on e.g., NRM, good fishing practices, business management and Disaster Management among other beneficial subjects for sustainable commercialisation of their businesses</li> <li>- Information sharing and co-operation among park officials, tourism operators and fisheries communities should be improved. This will help to increase compliance with park regulations and reduce the pressure on park officials to enforce compliance through patrols and punitive measures</li> </ul>
14	<b>Inadequate data and information on fisheries resources</b>	<ul style="list-style-type: none"> <li>- Lack of updated information of fisheries resources, especially on fish stocks and potential in the in-between open sea areas,</li> <li>- Small scale and multispecies nature of the majority of artisanal fisheries</li> </ul>	<ul style="list-style-type: none"> <li>- no accurate statistics on production trends</li> <li>- over-exploitation of the resources.</li> <li>- no reliable information on the behaviour of the fishing resources to inform decision-</li> </ul>	<ul style="list-style-type: none"> <li>- strengthening of CCPs, and establishment of community management areas, to make it easier to collect data on operations and production trends</li> <li>- Practice effective monitoring of catches and fishing activities at sea and promote the use of camera systems (where possible) and vessel monitoring systems to improve compliance and collect more accurate information for better decision making.</li> </ul>

No.	CATEGORY	CAUSE	IMPACT	MITIGATION MEASURES
			making and adoption of good management practices	
15	<b>Inadequate Extension Support</b>	<ul style="list-style-type: none"> <li>- There is no adequate technical capacity to support artisanal fisheries at district level following several institutional arrangement changes within the sector</li> <li>- Extension workers more agriculture oriented and not fisheries</li> </ul>	<ul style="list-style-type: none"> <li>- Compromise production and sustainability of the project during and after the funding period</li> </ul>	<ul style="list-style-type: none"> <li>- Provide means of transport and allowances for extension agents, in order to ensure that their support</li> <li>- Engage a consultant to carry out a comprehensive capacity needs assessment</li> <li>- Strengthen the capacity of MIMAIP for the development and the supervision of the co-management in the artisanal fisheries subsector</li> </ul>
16	<b>Weak operation and Maintenance of project infrastructure and facilities</b>	<ul style="list-style-type: none"> <li>- Failure in the organisational set-up to exploit the new infrastructure and/or equipment to its full use<sup>22</sup></li> <li>- Poor operation and maintenance of fishing equipment</li> <li>- Vandalism</li> </ul>	<ul style="list-style-type: none"> <li>- No positive change on the part of community</li> </ul>	<ul style="list-style-type: none"> <li>- Need for capacity building to operate and maintain</li> <li>- Improve ownership and accountability</li> <li>- Use a participatory approach with high involvement of CCPs to determine community needs, design, location, implementation and operational modalities of infrastructure</li> <li>- Set up market management commission to work with local structures in managing both market linkages and administration of infrastructure sensitization of local actors in implementing own control through organized night patrol</li> <li>- SEP</li> <li>- Support and strengthen GRM local system</li> </ul>
17	<b>Non-Compliance of fishermen</b>	<ul style="list-style-type: none"> <li>- Non-Compliance to fishing zones, closure periods, fishing gear among other regulations</li> </ul>	<ul style="list-style-type: none"> <li>- Unrecorded production</li> <li>- Unmonitored by-catch</li> <li>- Increase of percentage of stocks fished at biologically unsustainable levels</li> <li>- Negative impacts on biodiversity and ecosystem functioning</li> </ul>	<ul style="list-style-type: none"> <li>- Training on maintaining regenerative capacity of the ecosystems.</li> <li>- Collaborate with the Ministry of Environment on monitoring and enforcement of marine protected areas</li> <li>- Strengthen CCPs with well-equipped patrol teams in sensitisation, conservation and restoration of the natural environment</li> <li>- By-catch should be avoided through using excluder devices</li> <li>- Promote activities that encourage compliance such as incentives for compliant fishers like rotational warden spots) as compared to activities that increase enforcement (e.g., confiscation of fishing gear)</li> <li>- Continuous communication and information dissemination</li> </ul>

<sup>22</sup> A total of four disused/unused project supported market infrastructure equipped with refrigerators were found disused during stakeholder consultation and data collection for this ESCMF. It was noted for all of them that there had been some disagreements between either contractor and/or private operator and the local council in charge of running the facility



No.	CATEGORY	CAUSE	IMPACT	MITIGATION MEASURES
18	<b>Limited access to resources</b>	<ul style="list-style-type: none"> <li>- Influx of people upon project announcement</li> </ul>	<ul style="list-style-type: none"> <li>- Potential conflicts among communities when project assisted facilities are not adequate cater to everyone</li> </ul>	<ul style="list-style-type: none"> <li>- Supporting the strengthen GRM local system</li> <li>- Participatory data informed infrastructural designs</li> <li>- Site infrastructure design adapted to communities and strong monitoring of the site</li> </ul>
<b>INCREASED PRODUCTIVITY AND TRANSFORMATION OF ARTISANAL FISHERIES</b>				
19	<b>Production Capacity below potential</b>	<ul style="list-style-type: none"> <li>- Limited access to support infrastructure and facilities</li> <li>- Limited resources to have state of the art fish production and structures at loading centres to guarantee quality and value fish production</li> <li>- Inadequate conditions at landing sites for processing and conservation of fish</li> <li>- Absence of regulation and monitoring at landing sites</li> <li>- Community attitude especially donor syndrome</li> <li>- Lack of technical assistance due to difficulty in accessing the extension worker</li> </ul>	<ul style="list-style-type: none"> <li>- Failure to transform resulting in frustration and giving up</li> <li>- Majority of Fishermen operating below potential</li> <li>- Reduction in quality of production</li> <li>- No regulation and monitoring of fishing activities at most sites resulting in no records to aid decision making</li> <li>- No regulation to unloading of fish</li> <li>- No continuous technical backstopping</li> </ul>	<ul style="list-style-type: none"> <li>- Provision of financial assistance in procurement of modernised fishing vessels that can access good quality fish in-sea (in addition to environmental co-benefit)</li> <li>- Support in good technology such as Fishfinders as well as training</li> <li>- Basic training in fishing technology, in particular in the assembly of selective and appropriate fishing gear,</li> <li>- Provision of fresh water access points</li> <li>- Education on good practices in handling, processing and conservation of fish, using ice, salting and drying or smoking</li> <li>- Improved storage facilities and practices to improve quality of produce and safety against temperature increase</li> <li>- promotion of MPV Photovoltaic System (solar power) for market infrastructures and cold storage facilities</li> <li>- Careful and objective selection of beneficiaries according to needs assessment to limit factors of double dipping</li> <li>- Provide means of transport and allowances for extension agents, in order to ensure that their support</li> <li>- Improve investment climate for private sector</li> </ul>
20	<b>Poor Market Linkages</b>	<ul style="list-style-type: none"> <li>- Poor road network making it difficult to connect fishing centres to markets</li> <li>- Recurrent floods and cyclones damaging access roads to fishing centres road infrastructure in the coastal zone is particularly vulnerable to erosion through flooding and sea-level rise, which affects the ability of</li> </ul>	<ul style="list-style-type: none"> <li>- affects sustainability of artisanal fishing and the well-being of fishing communities</li> <li>- Reduction of consumer market especially during rainy season.</li> <li>- Frustration on the part of community and giving up</li> </ul>	<ul style="list-style-type: none"> <li>- Rehabilitation and maintenance of access roads is required.</li> <li>- The roads should be designed for resilience to climate change impacts such as floods, cyclones and strong winds</li> <li>- Improve investment climate for private sector</li> </ul>

No.	CATEGORY	CAUSE	IMPACT	MITIGATION MEASURES
		communities to trade and access health and other services.		
21	<b>Inadequate or limited capacity of the private sector</b>	<ul style="list-style-type: none"> <li>- Inappropriate selection criteria of private sector institution</li> <li>- Private sector Change of focus midway</li> <li>- No clear rules of engagement</li> </ul>	<ul style="list-style-type: none"> <li>- Low private sector engagement and market distortions</li> <li>- Desperate producers</li> <li>- Impact on production capacity of fishers</li> </ul>	<ul style="list-style-type: none"> <li>- Contractors with performance-based contracts and supervision</li> <li>- Use of PPP or 4P models for effectiveness</li> <li>- Employ multi-stakeholder engagement (setting ToR, proposal review and adjudication) and monitoring process for the private sector institutions</li> </ul>
22	<b>Low market price of fish produce</b>	<ul style="list-style-type: none"> <li>- Poor post-harvest handling due to lack of storage facilities</li> <li>- Poor health and hygiene standards</li> </ul>	<ul style="list-style-type: none"> <li>- Failure to attract lucrative markets Pricing below the market value as producers rush to dispose their harvest before it goes bad</li> <li>- Resorting to other preservation methods that are not highly preferred by the external market e.g. smoking</li> <li>- Risk to people's health</li> </ul>	<ul style="list-style-type: none"> <li>- Facilitation of direct access to micro, small and medium-sized companies to avoid unscrupulous intermediaries</li> <li>- Access to accurate and reliable market and weather information</li> <li>- Provision of appropriate storage at landing sites</li> <li>- Provision of fresh water access points</li> <li>- Linkages to good transport network</li> <li>- Promotion of dietary diversity to enhance market for dry fish</li> <li>- Infrastructure to support fishing activities. This would also facilitate inspection and licensing actions for fishing units, hygienic and sanitary inspection in order to ensure better conditions for the conservation and quality of fish, as well as improve the collection of much needed statistics</li> <li>- Provide fisheries health and hygiene education</li> </ul>
<b>SOCIO-ECONOMIC WELLBEING OF BENEFICIARIES</b>				
23	<b>High vulnerability status of beneficiaries</b>	<ul style="list-style-type: none"> <li>- Low socio-economic status (low/no incomes, poverty, malnutrition)</li> <li>- Recurrent intense weather events, impact of climate change (cyclones and floods)</li> <li>- Situation of insecurity associated with the action of extremist military insurgents</li> <li>- upcoming elections in 2025, likely changing political and development priorities</li> </ul>	<ul style="list-style-type: none"> <li>- Socio-economic destabilisation of artisanal fishermen and their activities</li> <li>- Insecurity and living under threat to human lives</li> <li>- Continuous destruction of fishing units and other infrastructure</li> <li>- Low resilience and adaptive capacity to shocks</li> </ul>	<ul style="list-style-type: none"> <li>- Project should be oriented towards strengthening resilience and adapting to climate change to mitigate the high level of vulnerability of fishing communities</li> <li>- Increase institutional capacity to support production, marketing and management of the highest value fish resource</li> <li>- Provide credit schemes to qualifying beneficiaries across the value chain (including matching grants) accompanied with the matching capacity building to safeguard and multiply the loans</li> <li>- Explore introduction of insurance services to cushion fishermen and theirs fishing units</li> <li>- Consider registration of artisanal fishermen in the National Social Security System for backup support in case of physical disability and upon retirement</li> </ul>

No.	CATEGORY	CAUSE	IMPACT	MITIGATION MEASURES
				- Promote credit cooperative/associations and encourage savings and revolving credit schemes
24	<b>Economic displacement</b>	<ul style="list-style-type: none"> <li>- Regulation on closing off fishing periods to allow restoration and protect young and breeding species</li> <li>- Impending regulation restricting the use of Beach Seine gear in all coastal areas in order to ensure proper conservation and restoration of marine resources</li> <li>- Temporary limited access to old facilities during rehabilitation and construction of landing sites and market infrastructure</li> </ul>	<ul style="list-style-type: none"> <li>- High vulnerability of communities reliant on fisheries only</li> </ul>	<ul style="list-style-type: none"> <li>- Work with communities through the CCPs to diversify livelihoods off sea and increase financial wellness in order to cushion themselves against unfortunate events</li> <li>- Strengthen CCPs to play a supportive role when the decision to ban the seine gear takes place</li> <li>- Local ESC assessment and Construction ESCMP</li> <li>- Leave at least few sites open during construction intervention to avoid total loss of incomes</li> <li>- Monitor construction to eliminate any possible delays</li> </ul>
25	<b>Gender inequality and women empowerment</b>	<ul style="list-style-type: none"> <li>- Denial of access to productive resources for fisheries</li> <li>- Male centric rules of engagement at sea side making it difficult for women to function equally</li> </ul>	<ul style="list-style-type: none"> <li>- Glass ceiling effect</li> <li>- Relegation to only processing and marketing role whereas they could gain more by being able to produce</li> </ul>	<ul style="list-style-type: none"> <li>- Improve the organisation of women fish traders.</li> <li>- Increase the participation of women in credit and savings groups.</li> <li>- Advertise and promote the benefits of fish consumption.</li> <li>- Create an inter-institutional “platform” to strengthen knowledge sharing and coordinated actions in the capture sector</li> </ul>
26	<b>Exclusion and/or Limited participation and benefits for Women and youth</b>	<ul style="list-style-type: none"> <li>- Existing social norms that discredit women as active actors and equal producers</li> <li>- Lack of productive resources for women and youth</li> <li>- Weak project gender equality and women’s empowerment strategy</li> <li>- Lack of modern fishing gear that is favourable for open sea where there is good quality fish</li> <li>- failing to identify their niche on the value chain</li> </ul>	<ul style="list-style-type: none"> <li>- Women and youth excluded in project activities including benefits therefrom</li> <li>- Value chain benefiting men more than women</li> <li>- Women forced to remain in a secondary role of the value chain</li> </ul>	<ul style="list-style-type: none"> <li>- Establish quotas for women and youth and communicate the program objectives, eligibility criteria, selection process and available GRM in partnership with local community organisations and community leaders</li> <li>- Promote activities that result in greater women's access to income and therefore greater economic empowerment</li> <li>- Continuous monitoring of gradual transformational changes and collecting of gender disaggregated data</li> <li>- Support women’s engagement in ancillary segments of the fisheries value chain by providing required financial and capacity building and mentorship services</li> <li>- Country-level policy dialogue in a structured manner and support the design of sectoral strategies with clear milestones and indicators.</li> </ul>

No.	CATEGORY	CAUSE	IMPACT	MITIGATION MEASURES
		- Women (who are the majority fish traders) loosing from repressed fish market prices as a result of increased fish landings with no concomitant reduction in cost of fishing		
27	<b>Elite capture, nepotism and clientelism for any activity</b>	- enrichment of individuals at the expense of others - The potential for elite capture is indicated by the underrepresentation and weak organization of women traders in CCP	- Deprivation of project benefits to the majority intended beneficiaries	- SEP and GRM - Inclusive engagement of the community and systematic monitoring in close relationship with the CCPs - Analysis of good practices in the implementation areas to avoid elite capture
28	<b>Community Conflict and/or tension</b>	- Conflict of interest and jealousy due to inadequate scale of facilities or inadequate selection of beneficiaries  - Potential conflict between empowered small-scale fishers and large-scale fishers and tourism industry on access to productive resources (space, customers) - Conflict between local and migrant fisher <sup>23</sup> - Conflict with IDPs (from cyclone, floods and armed conflict)	- Counterproductive conflicts  - Blocking of access to resources	- Strong information about the project among target groups and Conflict and Social Assessment focusing on exclusion and elite capture risks and - Strong engagement during definition of site intervention. Use a participatory approach with high involvement of CCPs to determine community needs, design, location, implementation and operational modalities of infrastructure - Close collaboration with CCPs for beneficiaries' identification - GRM to solve and avoid any conflict consequence  - GRM and SEP to promote coordination, mutually beneficial and harmonious co-existence between the parties - Implementation of a three-mile exclusive-use zone for small-scale fisheries and the monitoring of the industrial shrimp fleet through a vessel monitoring system. - Clearly identify all resource users within the project area and hold consultations and ESC assessments to determine if the project activities will impact them (e.g., changes to hydrology, blocking access, etc.)

<sup>23</sup> Some participants move from one place to another depending with the seasons

No.	CATEGORY	CAUSE	IMPACT	MITIGATION MEASURES
<b>COMMUNITY HEALTH AND SAFETY</b>				
29	<b>Low Nutritional uptake</b>	<ul style="list-style-type: none"> <li>- Failure to prioritise HH nutrition in a bid to meet market demands and earn an income</li> <li>- Negative impacts on food safety, e.g., contamination of water sources</li> </ul>	<ul style="list-style-type: none"> <li>- Malnutrition in all its forms (underweight, micronutrient deficiency, overweight, and obesity)</li> </ul>	<ul style="list-style-type: none"> <li>- Promoting consumption of fisheries products to enhance nutrition</li> <li>- Nutrition promotion including awareness campaign</li> <li>- The project should apply a nutrition lens in order to avoid malnutrition among the targeted population.</li> <li>- There is need for a multi-stakeholder dialogue and action with related institutions such as agriculture/nutrition, health, education, environment, youth, women and social affairs to ensure adequate monitoring and support</li> <li>- Collaboration with the Ministry of Agriculture (Dept. of Nutrition) for training on food security and nutrition</li> </ul>
30	<b>Local work and gender-based violence/sexual exploitation and abuse/sexual harassment (GBV/SEA/SH)</b>	<ul style="list-style-type: none"> <li>- Influx of external people to construction sites</li> <li>- Lack of sensitization of all actors</li> <li>- Change of HH income and empowerment of women</li> <li>- Increasing mobilisation of women to participate in project activities</li> <li>- Children involved in the business being subjected to potential SEA/SH</li> </ul>	<ul style="list-style-type: none"> <li>- SEA/SH and GBV against children and women</li> </ul>	<ul style="list-style-type: none"> <li>- Conducting gender-sensitive and participatory consultations while finalising and designing the various sub-project activities</li> <li>- Promote campaign for sensitisation on gender equality and against gender biases Community and Household level</li> <li>- Gender Action Plan with gender mainstreaming actions: Sensitization of local communities, including gatekeepers, establishment of community-driven support measures against SEA/SH and GBV,</li> <li>- Establishment and operationalization of community-driven support measures against SEA/SH and GBV and GBV referral pathways. Gender Based Violence and SEA/SH Assessment and Action Plan shall be prepared, disclosed, consulted upon, adopted, and thereafter implemented across all relevant activities line with international standards and procedures</li> <li>- Strengthened GRM</li> <li>- Training of Government and implementing partners/service providers on GBV, SEA/SH and respect of the IFAD/UN Code of Conduct</li> <li>- Gender mainstreaming actions should be developed as part of a Gender Development Plan. Gender and Social inclusion specialists shall be recruited as part of the PMU on a full time</li> </ul>
31	<b>Local work and children</b>	<ul style="list-style-type: none"> <li>- Children dropping out from school as the industry becomes more lucrative.</li> </ul>	<ul style="list-style-type: none"> <li>- Children under the age of 16years being subjected to work</li> </ul>	<ul style="list-style-type: none"> <li>- Apply the IFAD Environmental and Social Exclusion list</li> <li>- Partnership with ministry and department responsible for child labour monitoring to ensure no child labour take place</li> </ul>

No.	CATEGORY	CAUSE	IMPACT	MITIGATION MEASURES
				- Training of Government and implementing partners/service providers on child labour in relation to IFAD and GoM laws
32	<b>Exposure to Waterborne diseases</b>	- Exposure to pathogenic microorganisms within a water source - Lacking access to adequate sanitation or treatment facilities - Consuming water contaminated by human, animal or chemical wastes	- Workers and communities suffering from diseases such as cholera, diarrhoea, dysentery and typhoid	- Contractors and Implementing agencies should seek to avoid or minimize the potential for exposure to diseases and to take necessary measures to improve environmental conditions - Integrating training on health issues into worker health and safety induction programmes and as a regular part of continuous worker training - Conduct community health education, prevention and treatment programmes as required - Coordinating with the responsible ministry on identification, reporting and surveillance and management of new cases, particularly in the case of an outbreak of a communicable disease the areas of operation
33	<b>Exposure to Vector-borne</b>	- Exposure to diseases pathogens transmitted by vectors such as mosquitoes and ticks during construction phase and fishing activities	- Infected workers, communities, tourists and other players in the value chain	- Encourage administration of required prophylaxis as recommended by the health authorities - Protective clothing and related protective equipment e.g., treated mosquito nets, insect repellent etc. - Integrating training on health issues into worker health and safety induction programmes and as a regular part of continuous worker training
34	<b>HIV, Malaria, respiratory diseases etc</b>	- Influx of people for business and interaction with the local community	- Infected workers, communities, tourists and other players in the value chain	- Carrying out pre-employment health checks for all workers employed by primary contractors and subcontractors - Integrating training on health issues into worker health and safety induction programmes and as a regular part of continuous worker training - Take special measures to prevent the spread of HIV/AIDS and other sexually transmitted infections (STIs), both in the workforce and in the greater community - Conduct HIV and AIDS awareness and training through Reproductive Health Rights

**LABOUR AND WORKING CONDITIONS**

No.	CATEGORY	CAUSE	IMPACT	MITIGATION MEASURES
35	<b>Employment of direct and indirect workers</b>	- Risk of perpetuating inequality and labour rights violations	- Workers subjected to unfair labour practices	- Promote, to the extent possible, subcontracting to local entrepreneurs – particularly to rural women and youth – to maximize employment creation under decent working condition Monitoring and support enterprises in implementing standards - Labour Management Plan
36	<b>Occupational Health and safety of workers</b>	- Risk of temporary and permanent physical injuries to employees and community during construction and implementation of the project activities	- Bronchial diseases from dust - Diseases and illness related to fishery operations - Attack by sea predators - Drowning and Loss of life.	- Extensive occupational health and safety training for community members engaging in artisanal fisheries including life-saving, food safety and food handling licenses, etc - Provision of protective and safety clothing/gear for workers and community - Support fishers to be able to have fully equipped vessels e.g., life-saving equipment such as safety jackets, radios and GPS. - Provide Safety-at-Sea training - Develop and disseminate a health, safety and emergency response plan - Continuous monitoring
37	<b>Archaeological Findings</b>	- Unexpected encounter with sensitive cultural sites (sacred trees and pools, medicinal plants, graves) and archaeological remains (ancient stone tools, pottery sherds).	- Loss of cultural heritage	- Chance Finds Procedure - Carry out inspect all excavations, and where archaeological remains are found work must stop until it has been cleared to proceed. The officer should contact the Museums Authorities in the event of a significant archaeological find

#### 4.4 Cumulative Impacts

Cumulative impacts are not expected to be of major concern, particularly as potential negative impacts are expected to be prevented and/or mitigated through careful project designing, planning, and implementation. However, the PMU subprojects should be mindful of possible interactions between subprojects activities that may cause added or new environmental, social and climate impacts. This may include implementation of pilot projects in nearby areas, or future planned developments not related to the current project.

## **5. Procedures for Screening, Assessment and Management of Sub-Projects**

The specific sub-activities will need to be assessed for environmental, social and climate impacts before implementation, and monitored during and after implementation. This section of the ESCMF describes the process to ensure that environmental, social and climate issues are adequately addressed through procedures to be implemented throughout the entire subproject cycle, from its inception, identification, selection, approval, construction and implementation. The section includes exclusion list screening, initial risk identification, potential environmental, social and climate issues, assigning of applicable standards, categorization, management and communication.

All subprojects will be previously subject to an environmental and social review and screening process, in order to identify potential environmental and social risks and impacts, throughout all phases of the subproject, and to determine the level of environmental and social assessment and the instruments environmental and social management required. Screening is therefore a crucial step to ensure proper environmental and social sustainability of the subproject.

### **5.1 Social, Environmental and Climate Assessment Procedures**

IFAD revised its Social, Environmental and Climate Assessment Procedures (SECAP) with the aim to better manage environmental and social risks and more effectively address climate change. This updated edition of SECAP lays out an improved framework and process for managing risks and impacts, and integrating mainstreaming priorities into new IFAD supported investments. Environment and climate issues are particularly important to rural people, who largely depend on natural resources and hence are more vulnerable to environmental degradation, pollution and climate change. SECAP is aligned with international best practices and makes significant progress in new and emerging safeguard areas. SECAP goes beyond avoiding risks and impacts to identify opportunities for maximizing development gains by mainstreaming environmental, social and climate issues throughout the project cycle. Clear procedures on mainstreaming IFAD's cross-cutting themes (youth, gender, environment, climate change, and nutrition) are an important element of SECAP.

### **5.2 Screening and Categorisation of Potential Risks**

The first step in SECAP is a mandatory screening and categorization exercise using the nine Standards presented in table 2. As part of the sub-project selection for funding, the identified potential sub-projects will be subjected to a rigorous environmental and social screening process to assist GoM/IFAD on whether the proposed projects will be supported. If the project should be supported, the appraisal determines how the risks and impacts (both those that affect the project and those caused by the project) should be addressed. The degree of risk is determined in the appraisal on a case-by-case basis, with mitigation measures appropriate to the nature and scale of the project, and its level of environmental, social and climate risk.

The screening process will start at the time of project identification, when the basic details of the subproject are known, including nature, scope and proposed location, among other available information. The screening process results in a proposed environmental and social category, and climate risk classification for the project, together with the necessary actions to address the associated environmental, social and climate risks, and their expected impacts. The screening tool and checklist should be used in conjunction with the exclusion list.

The screening is aimed at identifying the major social, environmental and climate impacts and risks associated with a project, defining the necessary steps for further analysis and identifying measures to enhance development opportunities and minimize risks and negative impacts. The SECAP screening procedures will apply in all phases of the project. It is essential to screen sub-projects and associated



project services/facilities prior to implementation to determine possible environmental, social and climate risk. Sub-projects bids will be screened first on eligibility based on the proposed scope of work/business plans and secondly, on the basis of project specific and site specific environmental, social and climate impacts.

The screening will be carried out using the Environmental and Social Screening Form and the Climate Screening Form by the Environmental, Social and Climate Safeguards Officers in conjunction with provincial and district technical teams. Completion of the screening form will facilitate the identification of potential environmental and social impacts, determination of their significance, assignment of the appropriate environmental and social category, proposal of appropriate environmental and social mitigation measures, and conducting of any further environmental and social work, if necessary. All projects with high and irreversible impacts that cannot be readily mitigated will not be considered for funding under PROPEIXE.

MIMAIP in consultation with IFAD will be responsible for ensuring that screening of sub-projects, preparation of safeguards, reviews, public disclosure and implementation occur effectively and timeously. Any sub-project that meets the criteria of the Exclusion List will not be considered further by PROPEIXE funding.

### 5.2.1 Environmental and Social Risk Category for Projects

The environmental and social risk can be categorized as High, Substantial, Moderate or Low. Risk categories are determined by the nature and sensitivity of the project area, the significance and magnitude of potential impacts and the cumulative and induced impacts. The environmental and social categories are presented in Table 3 below. For projects with several components or subprojects, the highest risk category of all components or subprojects will be considered the project’s overall risk category.

The initial environmental and social screening for PROPEIXE was Substantial based on the broad scope of project activities currently envisaged. In other words, activities supported through PROPEIXE may have some adverse environmental and social impacts on human populations or environmentally significant areas, but the impacts are site specific and few are irreversible in nature, and/or can be readily remedied by appropriate preventive actions and/or mitigation measures to moderate or low risk. Potential threats for this project include overfishing, habitat damage from certain fishing equipment or techniques, mangrove overexploitation for firewood, loss of biodiversity and degradation of coastal ecosystems, and liquid effluent from fisheries processing, packaging, and marketing operations

Table 7: Environmental and Social Risk Categorisation

Category	Environmental and Social Risk Level
High Risk	<ul style="list-style-type: none"> <li>• This classification takes into account whether the potential risks and impacts associated with a project have most or all of the following characteristics:</li> <li>• Result in sensitive, irreversible or unprecedented significant risks and impacts (for example, resulting in loss of major natural habitat or conversion of wetlands)</li> <li>• Result in risks and impacts that are significant in magnitude and/or spatial extent (large geographical area or size of the population likely to be affected)</li> <li>• Have significant risks and impacts that affect an area much broader than the sites or facilities subject to physical interventions</li> <li>• Result in significant adverse cumulative or transboundary impacts</li> <li>• High probability of serious adverse effects to human health and/or the environment (e.g. due to accidents, toxic waste disposal)</li> <li>• Risks and potential impacts are not readily remedied by preventive actions or mitigation measures</li> </ul>

	<ul style="list-style-type: none"> <li>•The area affected is of high value and sensitivity, for example, sensitive and valuable ecosystems and habitats (legally protected and internationally recognized areas of high biodiversity value), lands or rights of indigenous peoples and other vulnerable minorities, intensive or complex involuntary resettlement or land acquisition, or impacts on cultural heritage</li> <li>•There are significant concerns that the project’s adverse social impacts and associated mitigation measures may give rise to significant social conflict, harm, significant risks or impacts on human security</li> <li>•There is a history of unrest in the project area or significant concerns regarding the activities of security forces</li> <li>•The project is being developed in a legal or regulatory environment where there is significant uncertainty or conflict regarding the jurisdiction of competing agencies, legislation or regulations do not adequately address the risks and impacts of complex projects, changes to applicable legislation are being made, or enforcement is weak</li> <li>•There are significant concerns related to the capacity, commitment and track record of project stakeholders in relation to engagement, or there are several external factors that could have a significant impact on the project’s environmental or social performance, or outcomes. Additionally, a project is classified as High Risk when it finances one or more of the following activities</li> <li>•New construction, rehabilitation or upgrade of large/major dams or reservoirs (more than 15-metre-high wall, more than 500-metre-long crest, and/or with a reservoir exceeding 3 million m<sup>3</sup>) or incoming flood of more than 2,000 m<sup>3</sup>/s</li> <li>•New construction or upgrade of large-scale irrigation schemes (above 999 hectares per scheme)</li> <li>•New construction, or upgrade of rural roads (annual average daily traffic [AADT] above 1,000)</li> <li>•Surface water abstraction: significant extraction/diversion or containment of surface water, leaving the river flow less than 5 per cent above the environmental flow when downstream user requirements are taken into account</li> <li>•Ground water abstraction: withdrawal of groundwater in areas already experiencing soil subsidence due to over-abstraction and/or increasing groundwater depth (e.g., observed in existing wells) and/or withdrawal of groundwater close to the recharge rate (considering all abstraction needs from the groundwater unit)</li> <li>•Large-scale aquaculture or mariculture of at least 50 hectares on one site</li> <li>•Economic or physical displacement (e.g., land, potable water and water for other uses), or physical resettlement of more than 100 households or businesses, and/or significant loss of assets or access to resources (i.e., over 15 per cent reduction in a farmer’s or community’s assets)</li> <li>•Conversion and loss of physical cultural resources</li> </ul>
Substantial Risk	<ul style="list-style-type: none"> <li>•A project should be classified as Substantial Risk when it is not as complex as a High-Risk project and its environmental and social scale is not in such a sensitive area, but may pose significant risks and impacts if not adequately managed. These potential risks and impacts have most or all of the following characteristics:</li> <li>•They are mostly temporary, predictable or reversible, and the nature of the project makes it possible to entirely avoid or reverse them</li> <li>•There are concerns that the project’s adverse social impacts and associated mitigation measures may give rise to a limited degree of social conflict, harm or impacts on human security</li> <li>•The geographical area and size of the population likely to be affected are medium to large</li> </ul>

	<ul style="list-style-type: none"> <li>• There is some potential for cumulative or transboundary impacts, but they would be less severe and more readily avoided or mitigated than in a High Risk project</li> <li>• There is medium to low probability of serious adverse effects to human health or the environment (e.g. due to accidents, toxic waste disposal), and there are known and reliable mechanisms to prevent or minimize such incidents</li> <li>• The project’s effects on areas of high value or sensitivity are expected to be lower than for High Risk projects</li> <li>• Mitigation or compensation measures may be designed more easily and be more reliable than those of High Risk projects</li> <li>• The project is being developed in a legal or regulatory environment where there is uncertainty or conflict regarding the jurisdictions of competing agencies, legislation or regulations do not adequately address the risks and impacts of complex projects, changes to applicable legislation are being made, or enforcement is weak</li> <li>• The past experience of the borrower/recipient/partner and implementing agencies in developing complex projects is limited, and their track records regarding environmental and social issues suggest that some concerns can be addressed through implementation support</li> <li>• There are concerns about capacity and experience in managing stakeholder engagement, but these can be readily addressed through implementation support.</li> <li>• Additionally, a project may be classified as Substantial Risk when it finances one or more of the following activities             <ul style="list-style-type: none"> <li>• New construction, rehabilitation or upgrade of medium dams/reservoirs (between 10-14-metre-high wall, and/or with a reservoir of between 100,000-3 million m3)</li> <li>• New construction or upgrade of medium-scale irrigation schemes (between 300-999 hectares per scheme)</li> <li>• New construction or upgrade of rural roads (AADT between 400-1000)</li> <li>• Development of a large-scale agro processing facility</li> <li>• Aquaculture or mariculture of 25 to 49 hectares on one site</li> <li>• Construction or operation causing an increase in traffic on rural roads</li> <li>• Economic or physical displacement (e.g. land, potable water, water for other uses), or physical resettlement of 20-100 households or businesses, or a 10 to 15 per cent reduction in a farmer’ or community’s assets. If the environmental and social screening exercise shows that the risks and impacts are significant, the project category will be upgraded to High Risk</li> </ul> </li> </ul>
<p>Moderate Risk</p>	<ul style="list-style-type: none"> <li>• A project should be classified as Moderate Risk when potential adverse risks and impacts on human populations or the environment are not likely to be significant. This may be because the project is not complex or large, does not involve activities with high potential for harming people or the environment, and is located away from environmentally or socially sensitive areas. The potential risks and impacts are:             <ul style="list-style-type: none"> <li>• Predictable and expected to be temporary or reversible</li> <li>• Low in magnitude</li> <li>• Site-specific, without the likelihood of impacts beyond the project life cycle</li> <li>• Low probability of serious adverse effects to human health or the environment (e.g. they do not involve the use or disposal of toxic materials, or routine safety precautions are expected to be sufficient to prevent accidents)</li> <li>• The project’s risks and impacts can be easily mitigated in a predictable manner.</li> </ul> </li> <li>• Additionally, a project is classified as Moderate Risk when it finances one or more of the following activities             <ul style="list-style-type: none"> <li>• Small dam or reservoir construction (between 5-9-metre high wall, and/or with a reservoir below 100,000 m3)</li> <li>• Construction of small-scale irrigation schemes rehabilitation/development (below 300 hectares per scheme)</li> </ul> </li> </ul>

	<ul style="list-style-type: none"> <li>• New construction, rehabilitation or upgrade of rural roads (AADT below 400) and/or</li> <li>• Aquaculture or mariculture of less than 25 hectares on one site</li> </ul>
Low Risk	<ul style="list-style-type: none"> <li>• A project should be classified as Low Risk if it will have negligible or no environmental or social implications. Examples include:                             <ul style="list-style-type: none"> <li>• Technical assistance grants for agricultural research and training</li> <li>• Research</li> <li>• Extensions</li> <li>• Health</li> <li>• Nutrition</li> <li>• Education</li> <li>• Capacity and institution building</li> </ul> </li> </ul>

### 5.2.2 SECAP Note

The SECAP note is at the core of IFADs corporate mandate to design and implement sustainable projects avoiding or mitigating social and environmental damage. Therefore, projects are subject to a scrutiny and analysis to determine not only the category but also the potential triggering of safeguards measures. The SECAP note found that there will be no large-scale, significant or irreversible environmental impacts associated with the project. Nor there will be human populations negatively affected by the project aims. The potential impacts identified are mainly localized given the small-scale approach of the interventions, which can be effectively mitigated and are addressed with no risk of irreversible and or permanent damage over the project influence area.

### 5.3 National Guidelines on Screening and Categorisation

Decree 54/2015 establishes that screening is required for all activities with possible impacts on the environment. The Ministry for Land and Environment (MITA) (Formerly known as Land, Environment and Rural Development - MITADER) is responsible for the screening decision. The decision is based on several documents, including a description and justification of the activity, the legal framework of the activity, and a short description of the environmental and the socio-economic conditions of the area. At this stage, the authority may not approve the project when fatal flaws ('questoes fatais') are identified.

The screening decision is based on several criteria, including: the number of affected people and communities; the type of ecosystems, plants and animals affected; location and extension of the affected area; probability, nature, duration, intensity, and significance of the impact; direct, indirect, potential, global and cumulative impacts; and reversibility and irreversibility of the impact. The screening may result in the rejection of the activity's implementation, or in the categorization of the activity in one of four categories as shown in table 7 below.

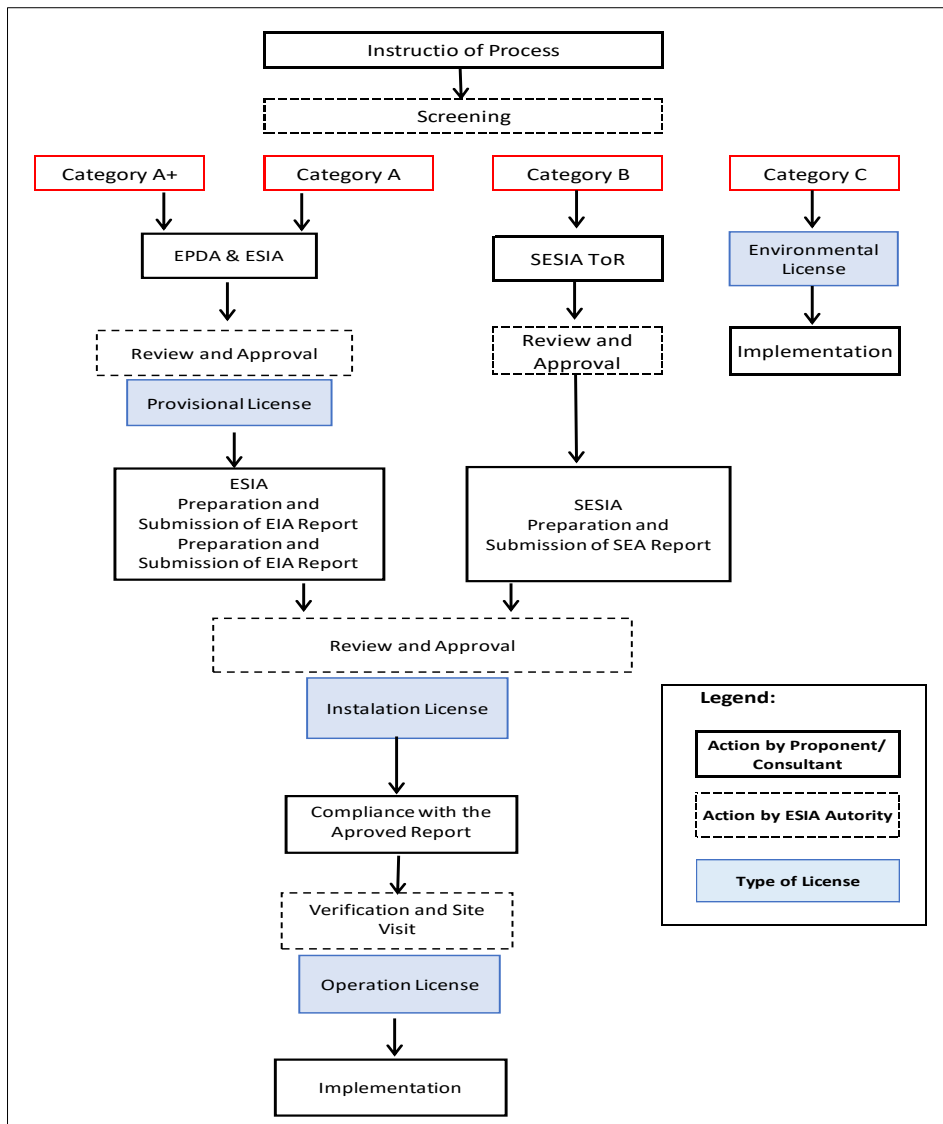
**Table 8: National Environmental and Social Categorisation**

Category	Brief description	Management Requirements
A+	Projects that are of such complexity, magnitude, and likely to produce irreversible impacts, that they require strict monitoring with involvement of specialists. They may involve economic and physical displacement that cannot be addressed under the specific Regulation on Resettlement Resulting from Economic Activities (Decree No. 31/2012, of 8 August), or they are 1/14 positioned in areas characterized by highly valued biodiversity and habitats, animal and plants species on the edge of extinction, or may involve projects producing dangerous toxins (carcinogens), pesticides, and extraction and processing of minerals	Full-fledged EIA and the supervision and review of an independent expert
A	Projects with significant impacts, for example large scale infrastructures (airports, highways), large-scale agriculture, forestry, fisheries and related industries  PROPEIXE therefore falls under category A projects and site specific ESIA <sup>24</sup> will be conducted by the sub-projects.	Full-fledged EIA
B	Projects involve projects that have no significant impact and are not undertaken in sensitive areas, such as transmission lines, education complexes, and factories involving the production of various types of goods such as construction materials. Projects of Category B require the simplified EIA process including the formulation of ToR and a Simplified Environmental Report (SER)	Simplified EIA
C	Projects may create minimal negative impacts, such as small-scale irrigation, telecommunication towers, or small factories	Compliance with General Procedures of Good Practice in Environmental Management

Source: Articles 8 and 9 of Decree 54/2015 including appendices I to V. (<http://www.mitader.gov.mz/>)

<sup>24</sup> In line with IFAD SECAP as it has higher thresholds and giving more prominence to social and climate issues than the national EIA scope

**Flowchart for EIA Procedure (adapted from JICA, 2016)**



**5.4 Climate Risk Category**

In the context of climate assessment, the term “risk” often refers to the potential for adverse consequences of a climate-related hazard (or adaptation or mitigation responses) on lives, livelihoods, health and well-being, ecosystems and species, economic, social and cultural assets, services (including ecosystem services) and infrastructure. Risk results from the interaction of vulnerability (of the affected system), its exposure over time (to the hazard), as well as the (climate-related) hazard and the likelihood of its occurrence. The climate risk assessment comprises four main elements:

**Hazard identification:** Identify the historical (in the last 30 years or more), current observed and projected future (2050-2100) weather-related hazards that are likely to affect agricultural systems (including crops, livestock, fisheries, livestock forests, value chains and agricultural livelihoods) in the project’s location.

**Exposure assessment:** Identify the project area’s exposure to these hazards based on information related to presence of: people; agricultural livelihoods, species or ecosystems; environmental functions, services, and resources; infrastructure; or economic, social, or cultural assets in settings that could be adversely affected.

Sensitivity assessment: Identify the degree to which a system is susceptible to – and unable to cope with – adverse effects of climate change, including climate variability and extremes. Individuals and communities are differentially vulnerable to climate change depending on factors such as wealth, education, gender, age, nutrition, disability and health.

Adaptive capacity and climate resilience: Assess the degree to which an ecosystem or community is able to adapt to the adverse effects of climate change, including climate variability and extremes.

The outcomes of the four elements are used to calculate the climate risk classification according to the following formula: **Climate Risk = Hazards + Exposure + Sensitivity - Adaptive Capacity**

**Table 9: Climate Risk Categories**

Category	Climate Risk Level
High Risk	The outcome of the project will be jeopardized by climate change, with the potential for severe impacts of significant irreversibility. Climate-related risks and impacts are likely to result in financial, environmental or social underperformance or failure. Adaptation measures are likely to be ineffective, extremely costly, socially unacceptable or may increase risk and reduce resilience. Adaptation limits may be reached or loss and damage may occur.
Substantial Risk	There is the potential for widespread impacts from climate change. Outcomes may be undermined by climate change and adaptation measures may not be readily available. Financial, environmental and social underperformance or failure cannot be excluded. However, risk-management activities are likely to increase the resilience and adaptive capacity of households, infrastructure, communities and ecosystems
Moderate Risk	Impact from climate change may occur, but will be limited, transient or manageable. Financial, environmental and social underperformance or failure is unlikely. The system has the capacity to manage volatility, shocks, stressors or changing climate trends.
Low Risk	No negative impact from climate change is expected based on the best available data. Financial, environmental and social underperformance or failure appear very unlikely.

The preliminary climate risk classification for PROPEIXE was also Substantial. Mozambique is considered highly vulnerable to climate change impacts and the vulnerability will have significant negative impacts on incomes, food security and the livelihoods of artisanal fisheries. It is Imperative for PROPEIXE at all levels to have mitigation and adaptation measures in place in order to reduce vulnerability and manage the various climate-related risks.

## 5.5 Management Instruments

General and preliminary risk assessment of the proposed project were identified during the development of this ESCMF including potential mitigation measures as presented in section 4.3. PROPEIXE will include environmental sustainability and sustainable natural resource management activities, which will enhance global environmental benefits. The project will be guided by policies, legal and institutional frameworks that support biodiversity protection, environmental sustainability, social equity and inclusion. MIMAIP in coordination with relevant institutions in the targeted sites will ensure that all activities and practices are climate sensitive and compatible with sustainable catchment management. Agreements with 4Ps will require compliance with formal due diligence process coordinated by the Environmental and Social Safeguard Specialists. All sub-projects to be financed under PROPEIXE will be monitored for compliance with GoM and IFAD environmental, social and climate legislation.

A number of environmental and social instruments will be prepared to meet the requirements in line with IFAD standards and GoM laws. The Environmental, Social and Climate Safeguards Specialists in the PMU will be responsible for the preparation of Terms of Reference for all instruments to be prepared under the project based on the outcome of the screening exercise. IFAD will review and approve these ToRs before they are issued out as part of Request for Proposals to consultants bidding for the support.

#### **5.5.1 Environmental and Social Impact Assessment**

All sub-projects labelled substantial risk will require additional assessment. Site specific Environmental and Social Impact Assessment (ESIA) for sub-projects that involve activities such as clearing of land, construction of market infrastructure, fish processing facilities, and rehabilitation of rural roads etc will be carried out as required by national standards. The ESIA will assess the environmental, climate and social contexts and identify opportunities to enhance positive impacts and mitigate adverse risks.

#### **5.5.2 Environmental, Social and Climate Management Plan**

An ESIA's should be accompanied by an ESCMP. The ESCMP matrix will complement the ESIA as a mitigation and monitoring plan that includes proposed measures, monitoring parameters, frequency of monitoring, and responsibility for monitoring, timelines and costs. For sub-projects that are categorized as moderate, only an ESCMP will be required and this will be developed by an independent consultant with oversight from the Safeguards Specialists.

The cost of the ESIA/ESCMP, any assessment, screening, field appraisal, report preparation at any level will be part of the sub-project cost and it should be reflected in the project proposal of each sub-project. The ESIA report and ESCMP must also be cleared by the respective IFAD regional division after technical inputs from the Production, Markets and Institutions Division and the Environment, Climate and Gender Division.

#### **5.5.3 Managing Climate Risk Projects**

High climate risk projects will not be considered for funding under PROPEIXE but where necessary, a Vulnerability Impact and Adaptation Assessment will need to be carried out. If a project has not been screened as High Risk, it is assumed that both project and community vulnerability are insignificant or relatively simple to pinpoint, but that adaptation measures may need to be integrated into project design to ensure long term sustainability. Thus, for all Substantial climate risk classified projects, a Targeted Adaptation Assessment is required in order to identify measures for reducing and/or managing risks and impacts and to ensure that measures are implemented. Based on this analysis, risk management and adaptation measures can be established and integrated into the project design in order to manage weather and climate related risks identified through the screening exercise. These may include technical innovations, capacity-building, awareness outreach, data gathering, monitoring and information management. They can also include on and off-farm diversification strategies, and risk-transfer solutions such as insurance. Only literature review of climate assessments will be required for moderate climate risk projects.

#### **5.5.4 Assessment of Financial Intermediaries**

It is mandatory for all Partner Financial Institutions<sup>25</sup> being supported by IFAD for the purposes of providing various financial products to project beneficiaries to:

- establish and maintain an Environmental and Social Management System (ESMS) corresponding with the risks and impacts of the PFI's project or subprojects
- ensure compliance with the requirements of Environmental and Social Standards (ESS) throughout the project cycle; and

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<sup>25</sup> commercial banks, building societies, and microfinance institutions



- bear the related costs

The MIMAIP PMU and IFAD will review the adequacy of ESMSs in line with SECAP requirements. Similar to the projects that receive IFAD financing or co-financing, PFIs that IFAD finances must undergo environmental and social due diligence (ESDD) based on the applicable SECAP project assessment steps. This process focuses on the PFI's capacity and ensures:

- Quality of ESMS for screening financial intermediation services to demonstrate their capacity for assuming delegated responsibility for environmental, social and climate assessment, risk management and monitoring, and overall portfolio management
- PFIs' capacity to continuously monitor on-lending and respond to accidental and emergency situations in their operations and Submission by PFIs, in a form acceptable to IFAD, of annual environmental and social reports on the implementation of the ESMS and on-lending operations.

Oversight will be given by the Environmental and Social Safeguards officers at PMU level.

### **5.5.5 Co-financing of Project Components**

In the event of additional financial support for certain components of PROPEIXE, MIMAIP through its sub-projects will ensure harmonization of environmental, social and climate safeguards through the development of common approach that considers the requirements of other co-financing institutions while providing the highest level of environmental and social protection required among the parties.

### **5.5.6 Procedures for Unidentified/Emerging Risks**

Project risks may emerge during implementation after the ESIA and ESCMP are completed. The Emergence Risk section of annual project implementation reports (see Annual Reporting template) will highlight these risks and mitigation and monitoring measures, but quarterly reports and the mid-term review will also screen for risks that develop during project. Any additional risks identified will be added to monitoring, and mitigation measures designed by the Project Management Unit (PMU) and consultants as required, in discussion with the Project Steering Committee.

## **5.6 Review and Approval**

Review of ESIA, ESCMPs, Targeted Adaptation Assessment and other related management plans should be done in the shortest possible time to avoid implementation delay. If the ESIA or any plan does not fulfil the IFAD and GoM Environmental, social and climate requirements and guidelines, decision may be taken to either request for revised/supplementary or new ESIA report, redesign of the sub-project, approval of the implementation of the sub-project with condition and/or total rejection of the sub-project proposal. Service providers may require capacity building on the ESIA/ESCMP development process but only a qualified independent consultant should conduct the studies.

## **5.7 Administration of the ESCMF**

MIMAIP will be the executing entity and will be responsible for the implementation and compliance with this ESCMF through service providers and contractors with overall guidance from IFAD. The executing entity will ensure timely remedial actions are taken by the contractor where necessary with oversight from the PSC. The Ministry through the Environmental and Social Safeguards Specialists at national, provincial and district level will be responsible for the revision or updates of this document during the course of the project. The service provider (private sector institution/ NGOs), field officers and contractors will be responsible for day-to-day compliance of the ESCMF and daily administrative, environmental, social and climate checks and records with monthly audits from MIMAIP.

## **6. Generic Environmental, Social and Climate Management Plan (ESCMP)**

This generic Environmental, Social and Climate Management Plan (ESCMP) was developed based on the impacts and risks identified in section 4 above. The purpose of the ESCMP is to identify environmental, social and climate mitigation measures to be undertaken and the institutional responsibilities for: (i) the identification of environmental, social and climate impacts; (ii) the preparation and implementation of mitigation measures; (iii) monitoring the implementation of the mitigation measures; and (iv) capacity building to ensure the afore-mentioned responsibilities will be carried out effectively. The generic ESCMP can be adapted and used in the implementation of any of the PROPEIXE sub-projects.

## ENVIRONMENTAL, SOCIAL AND CLIMATE MANAGEMENT PLAN (ESCMP)

Table 10: ESCMP Matrix

No.	Environmental/Social and climate Impacts	Recommended Mitigation/Enhancement measures	Public Consultation Activities	Responsible Institution in Implementation Phase <sup>26</sup>	Means of Verification (Monitoring and reporting)	Frequency of Verification	Cost Estimate
<b>GENERAL</b>							
	<b>ESCMF, TAA</b>	<ul style="list-style-type: none"> <li>Reviewing and customisation of current ESCMF and TAA for site specificity including annual reviews</li> <li>Develop site specific Environmental, Social and Climate Management Plans (ESCMFs) to minimise negative environmental impacts</li> </ul>	<ul style="list-style-type: none"> <li>Stakeholder Consultation</li> <li>Public Disclosure</li> </ul>	<ul style="list-style-type: none"> <li>PMU</li> <li>Sub-projects</li> </ul>	Revised, customised and disclosed documents	Preparation stage and annually	50,000.00
	<b>SECAP in project management</b>	<ul style="list-style-type: none"> <li>Recruitment of ESC safeguards specialists with backstopping support from trained district technical and field officers in the project implementation team</li> <li>Training and support for the PMU and subprojects on SECAP standards</li> <li>Strengthening of community involvement in environmental, social and climate impact assessment processes including monitoring and reporting</li> <li>Developing, disseminating, supporting and strengthening GRM procedures prior and throughout the project lifetime</li> </ul>	<ul style="list-style-type: none"> <li>Training of PMU on SECAP</li> <li>Training of community on environmental monitoring and GRM</li> </ul>	IFAD, IDEPA	<ul style="list-style-type: none"> <li>ToRs for the Safeguards Specialist developed</li> <li>Safeguards Specialist recruited</li> <li>Training registers and reports</li> </ul>	Preparation phase	100,000.00
<b>SOCIAL RISKS AND IMPACTS</b>							
	<b>Poor stakeholder engagement and lack of ownership</b>	<ul style="list-style-type: none"> <li>Apply provisions of the Stakeholder Engagement Plan</li> <li>Sign result-based MoU/agreements/contracts</li> <li>Engage, outline, agree and disseminate clear roles and responsibility of all stakeholders</li> </ul>	<ul style="list-style-type: none"> <li>Stakeholder workshops</li> </ul>	<ul style="list-style-type: none"> <li>IDEPA, PMU, Consultants</li> </ul>	<ul style="list-style-type: none"> <li>SEP developed</li> <li>Contracts/MoUs signed</li> </ul>	Preparation stage and annually	50,000.00

<sup>26</sup> All the mitigation activities shall be led by the Project PMU under the supervision of MIMAIP-IDEPA and working in conjunction with relevant ministries and departments, private service providers and communities

No.	Environmental/Social and climate Impacts	Recommended Mitigation/Enhancement measures	Public Consultation Activities	Responsible Institution in Implementation Phase <sup>26</sup>	Means of Verification (Monitoring and reporting)	Frequency of Verification	Cost Estimate
		<ul style="list-style-type: none"> <li>- Make use of clear channels of communication</li> <li>- Enhance performance monitoring system</li> </ul>			Monitoring System developed		
	<b>Implementation challenges including delays</b>	<ul style="list-style-type: none"> <li>- Reduce time between project conception and fund disbursement. Use start-up funds and/or retroactive financing</li> <li>- Systematic follow up of all the conditions of disbursement is required</li> <li>- Enhance timeous participatory process monitoring</li> <li>- Provide timeous appropriate technical assistance to subprojects in line with their approved workplans</li> <li>- Prepare a project Disaster Risk Reduction and Management/contingency Plan in case of an emergency</li> </ul>	<ul style="list-style-type: none"> <li>- Project management meetings</li> <li>- Support meetings and visits</li> <li>- Stakeholder input and ratification workshop on DRR contingency Plan</li> </ul>	MIMAIP, IFAD	<ul style="list-style-type: none"> <li>- Support mission reports</li> <li>- Contingency Plan</li> </ul>	Quarterly	Main project
	<b>Change in Context</b>	<ul style="list-style-type: none"> <li>- Compressive Disaster Risk Reduction and Management/contingency Plan</li> <li>- Develop a tailored implementation approach to areas at high risk</li> <li>- Implement interventions based on the vulnerability and conflict assessment recommendations</li> </ul>	<ul style="list-style-type: none"> <li>- Stakeholder input and ratification workshop on DRR contingency Plan</li> <li>- Steering Committee and Technical Committee meetings</li> </ul>	PMU, IDEPA, Subprojects	<ul style="list-style-type: none"> <li>- Contingency Plan</li> <li>- Tailored area specific implementation and monitoring plan</li> <li>- Meetings minutes</li> </ul>	Preparation phase and as and when necessary to activate the plan	Main Project
<b>ENVIRONMENTAL RISKS AND IMPACTS</b>							
	<b>Habitat loss and biodiversity disturbances</b>	<ul style="list-style-type: none"> <li>- Develop a clear plan for natural resource management within the framework of the project</li> <li>- Improvement of coastal defense by rehabilitation and protection of coastal ecosystem and biodiversity hotspots, including mangroves reforestation,</li> </ul>	<ul style="list-style-type: none"> <li>- Stakeholder consultative meetings for NR Plan development</li> </ul>	PMU, IDEPA, MTA, Subprojects	<ul style="list-style-type: none"> <li>- Natural Resource Plan</li> <li>- Participation in NRM record</li> </ul>	Continuous	Main Project

No.	Environmental/Social and climate Impacts	Recommended Mitigation/Enhancement measures	Public Consultation Activities	Responsible Institution in Implementation Phase <sup>26</sup>	Means of Verification (Monitoring and reporting)	Frequency of Verification	Cost Estimate
		<ul style="list-style-type: none"> <li>- seagrass, coral reefs and promoting mariculture in potential coastal areas is required</li> <li>- Preserve sensitive species through clear assessment of their presence and behavior (e.g., nesting turtles),</li> <li>- Avoid and monitor the introduction of invasive flora or fauna species</li> <li>- Strengthen community-based conservation and restoration of ecosystems and biodiversity through CCPs, and establishment of community management areas, and interventions to preserve the ecosystems and biodiversity</li> <li>- Adapt and upgrade existing coastal infrastructure using nature-based approaches.</li> <li>- Promote motorisation of small-scale fishing boats and fishing gear improvements fit for open sea fishing to reduce pressure at the coast</li> <li>- Put measures to protect fish in the open sea e.g., discouraging the use of beach trawls and other harmful and indiscriminate activities</li> <li>- Promote construction of boats using wood obtained from sawmills to avoid indiscriminate cutting of trees, especially protected tree species.</li> <li>- Promote construction of floating cages using PVC materials, which are less polluting to the environment, avoiding the cutting of mangrove species and thus reducing the pressure on natural resources</li> <li>- Promote proper handling of fishing products in order to prevent disease and environmental pollution</li> </ul>	<ul style="list-style-type: none"> <li>- Collective NRM actions at community level</li> <li>- Participatory monitoring</li> <li>- CCP meetings</li> <li>- CCP monitoring activities</li> <li>- CCP meetings with fisheries community</li> <li>- Stakeholder Consultation</li> <li>- Community training</li> </ul>	<ul style="list-style-type: none"> <li>- PMU, IDEPA, Subprojects, CCPs</li> <li>- PMU, IDEPA, Subprojects</li> </ul>	<ul style="list-style-type: none"> <li>- CCP minutes of meetings</li> <li>- Reports on illegal activities and actions taken</li> <li>- Community Action Plan agreed on and disseminated</li> <li>- Positive reports on environmental management</li> <li>- Subprojects ESCMPs developed</li> <li>- Training Reports</li> </ul>	<ul style="list-style-type: none"> <li>- Quarterly administrative visits</li> <li>- Quarterly</li> <li>- Preparation stage</li> </ul>	

No.	Environmental/Social and climate Impacts	Recommended Mitigation/Enhancement measures	Public Consultation Activities	Responsible Institution in Implementation Phase <sup>26</sup>	Means of Verification (Monitoring and reporting)	Frequency of Verification	Cost Estimate
		<ul style="list-style-type: none"> <li>- Strengthen environmental education and co-management through capacity building of CCPs for each fishing community to promote sustainable use of common natural resources</li> <li>- Enhance enforcement of natural resource management plans through appropriate recognition and empowering of CCPs</li> <li>- Enhance research capacity of MTA and IDEPA for monitoring natural resources</li> </ul>					
	<p><b>Over-exploitation of fish including by-catch and illegal catches</b></p>	<ul style="list-style-type: none"> <li>- Engage project beneficiaries in conservation awareness raising and training to reduce frequency of mass harvesting, using fishing methods that do not destroy the aquatic ecosystem and /or modifying fishing gear so that fewer non-target species are caught or can escape</li> <li>- Work with CCPs and helping them promote and develop new technologies and gear for more efficient operations</li> <li>- Engage and train carpenters to build suitable boats</li> <li>- Consider limiting (or gradual closure) trawling areas where undersized fishes are concentrated or adopting sorting devices rather than further increasing the mesh size in the net</li> <li>- Ensure little to no harvesting from the wild for brood stocks</li> <li>- Explore sustainable methods for offshore fishing to reduce the pressure on the coast</li> <li>- Set conservative target catch levels Fishing Effort through Catch Per Unit Effort (CPUE)</li> </ul>	<ul style="list-style-type: none"> <li>- Conservation awareness outreaches (as in 6 above)</li> <li>- Community trainings</li> <li>- Stakeholder meetings to set conservation targets (as in 6 above)</li> <li>- Participatory setting of monitoring indicators</li> <li>- Feasibility assessment of</li> </ul>	<p>PMU, IDEPA, Subprojects, CCPs, Fisheries Community</p>	<ul style="list-style-type: none"> <li>- Activity reports</li> <li>- Training Reports</li> <li>- Compliance reports</li> <li>- Monitoring protocol developed</li> <li>- Alternative livelihoods Feasibility report</li> </ul>	<ul style="list-style-type: none"> <li>- Quarterly</li> <li>- Quarterly</li> <li>- Preparation stage</li> </ul>	<p>Main Project</p>

No.	Environmental/Social and climate Impacts	Recommended Mitigation/Enhancement measures	Public Consultation Activities	Responsible Institution in Implementation Phase <sup>26</sup>	Means of Verification (Monitoring and reporting)	Frequency of Verification	Cost Estimate
		<ul style="list-style-type: none"> <li>- Promote fishing in areas where there is currently very little fishing effort and where the stocks are under exploited<sup>27</sup></li> <li>- Establish and implement monitoring protocols that perform frequent assessments on fish production and harvesting techniques. Consider piloting the use of camera systems and vessel monitoring systems to improve compliance and collect more accurate information for scientific analyses.</li> <li>- Enhance enforcement of biodiversity protection plans and establish monitoring and enforcement mechanisms as part of project activities</li> <li>- Promote alternative livelihoods e.g., ecotourism and training communities to become community or snorkeling guides</li> </ul>	<ul style="list-style-type: none"> <li>- alternative livelihoods</li> </ul>				
	<p><b>Alteration of land cover, Soil and land degradation</b></p>	<ul style="list-style-type: none"> <li>- Develop site specific soil and land management plans</li> <li>- The Contractors should make a daily inspection of earth works and ensure that slopes are suitably graded. Once earthworks are complete the Implementing Agent should monitor the restoration measures implemented by the Contractor, such as re-vegetation</li> <li>- The Contractors must clear area to be used and site works only</li> <li>- Train communities and service providers on sustainable land development and preparation methods</li> </ul>	<ul style="list-style-type: none"> <li>- Community participatory training on reforestation, conservation techniques</li> </ul>	<p>PMU, MTA, IDEPA, Subprojects, Contractors, CCPs, Fisheries Community</p>	<ul style="list-style-type: none"> <li>- Land and soil management plans</li> <li>- Evidence of Reforested area (before and after pictures)</li> <li>- Site specific monitoring checklist developed</li> </ul>	<p>Preparation stage</p> <p>Annually</p>	<p>Main project</p>

<sup>27</sup> Site specific ESIA will be able to establish these areas

No.	Environmental/Social and climate Impacts	Recommended Mitigation/Enhancement measures	Public Consultation Activities	Responsible Institution in Implementation Phase <sup>26</sup>	Means of Verification (Monitoring and reporting)	Frequency of Verification	Cost Estimate
		<ul style="list-style-type: none"> <li>- Promote an Ecosystem Approach to Fisheries in project sites</li> <li>- Involve other partners from the Ministry and research institutes in training farmers on soil conservation techniques</li> <li>- Promote the adoption of modern processing methods (solar driers)</li> <li>- Promote compensatory tree plantation e.g., promotion of fast-growing trees to be used in afforestation as a sustainable solution</li> </ul>					
	<b>Drainage, congestion and water logging</b>	<ul style="list-style-type: none"> <li>- Design proper runoff properly that can withstand cyclones and flooding at each project site</li> <li>- Install regulators and culverts as required</li> </ul>	Site monitoring	Contractors, PMU, MTA	Monitoring checklist	During construction	Main Project
	<b>Air Pollution and noise</b>	<ul style="list-style-type: none"> <li>- Conduct regular maintenance of vessels and other machinery/equipment</li> <li>- Encourage reduction in engine idling during on- and off-loading activities</li> <li>- Where practical, minimise travel distance from landing to loading facilities to storage areas when siting of the new facilities</li> <li>- Provide information to the community prior to construction activities</li> <li>- Minimise by adoption of low noise equipment or installation of sound insulation fences</li> <li>- Conduct training sessions on improving the efficiency of fish processing</li> </ul>	<ul style="list-style-type: none"> <li>- Site monitoring</li> <li>- Notice given to community prior to works</li> </ul>	Contractors, PMU, MTA	Monitoring checklist	During construction	Main Project



No.	Environmental/Social and climate Impacts	Recommended Mitigation/Enhancement measures	Public Consultation Activities	Responsible Institution in Implementation Phase <sup>26</sup>	Means of Verification (Monitoring and reporting)	Frequency of Verification	Cost Estimate
	<b>Land and water pollution</b>	<ul style="list-style-type: none"> <li>- Prepare local Environmental Management plans</li> <li>- Conduct regular maintenance of vessels and other machinery/equipment</li> <li>- Encourage reduction in engine idling during on- and off-loading activities</li> <li>- Avoid potential runoff especially passing through the areas with a high risk of accidental releases of oil or hazardous materials such as fuel. Fuel transfer locations must pass through an oil trapping basin for separate oily residues and sedimentation before discharging into water bodies</li> </ul>	<ul style="list-style-type: none"> <li>- Participatory development of Environmental plans (as in 6)</li> <li>- Site monitoring</li> </ul>	PMU, MTA, IDEPA, Subprojects, Contractors, CCPs, Fisheries Community	<ul style="list-style-type: none"> <li>- Environmental Management plans</li> <li>- Monitoring indicators</li> <li>- Monitoring reports</li> </ul>	Preparation and through implementation	Main Project
		<ul style="list-style-type: none"> <li>- Prepare site specific Wet and Solid Waste Management Plans</li> <li>- Ensure fish processing facilities have adequate fresh water supply</li> <li>- Promote good solid waste management through practices such as recycling, reusable containers, bulk dispensers, frequent cleaning of beaches, etc.</li> <li>- Ensure that wet waste treatment systems are included in the sites facilities upgrade such as (i) wet waste handlings and drains and (ii) liquid waste handlings to avoid nutrient rich waters</li> <li>- Sewage systems and wastewater treatment plants must be designed to prevent them from the intrusion of saline water to ensure the systems are properly functional and its effluent always meets national regulations before discharging into water bodies</li> </ul>	<ul style="list-style-type: none"> <li>- Site monitoring</li> </ul>	PMU, MTA, IDEPA, Subprojects, Contractors, CCPs,	<ul style="list-style-type: none"> <li>- Monitoring indicators</li> <li>- Monitoring reports</li> </ul>	Preparation and through implementation	Main Project

No.	Environmental/Social and climate Impacts	Recommended Mitigation/Enhancement measures	Public Consultation Activities	Responsible Institution in Implementation Phase <sup>26</sup>	Means of Verification (Monitoring and reporting)	Frequency of Verification	Cost Estimate
<b>CLIMATE RISKS</b>							
	<b>Impact of Climate Change</b>	<ul style="list-style-type: none"> <li>- Refer to Targeted Adaptation Assessment developed for this ESCMF to assist in developing site-specific adaptation options</li> <li>- Conduct awareness raising and preparedness training of communities and implementers</li> <li>- Develop a costed project specific Disaster Risk Reduction and Management/contingency Plan</li> <li>- Engage with the Meteorology Agency and media platforms for accurate and timeous climate information and weather forecasts generation and dissemination to the community to increase safety at sea</li> <li>- Improve storage facilities and handling practices to improve quality of fish produce and safety against temperature increases</li> <li>- Promote the use of solar energy for market infrastructures and cold storage facilities</li> <li>- Ensure robustness in siting, designing and construction of infrastructure making specific considerations for the type and housing of fisheries equipment</li> <li>- Diversification of livelihood options off coastal area including Savings and lending schemes/groups</li> <li>- Promote weather indexed Insurance for the fisheries sector and other alternative non marine activities</li> <li>- Governance efforts should aim to increase adaptive governance and resilience in fisheries communities</li> </ul>	<ul style="list-style-type: none"> <li>- Awareness raising workshops</li> <li>- Engagement meetings with technical stakeholders</li> <li>- Dissemination of weather information and EWS</li> <li>- Disaster Risk preparedness drills</li> </ul>	PMU, INGC, MTA, IDEPA, Subprojects, Contractors, CCPs,	<ul style="list-style-type: none"> <li>- Activity report and/or Participation record</li> <li>- Weather and EWS records</li> <li>- Activity reports</li> </ul>	<ul style="list-style-type: none"> <li>- Monthly</li> <li>- Quarterly</li> </ul>	Main Project (TAA)

No.	Environmental/Social and climate Impacts	Recommended Mitigation/Enhancement measures	Public Consultation Activities	Responsible Institution in Implementation Phase <sup>26</sup>	Means of Verification (Monitoring and reporting)	Frequency of Verification	Cost Estimate
		<ul style="list-style-type: none"> <li>- as a response to the impacts of climate change and other environmental forces.</li> <li>- Existing community structures such as CCPs should be more closely integrated with disaster risk preparedness</li> </ul>					
	<p><b>Significant increase in greenhouse gas emissions caused by the project</b></p>	<ul style="list-style-type: none"> <li>- Promote and implement climate smart and environmentally sustainable practices on all project sites</li> <li>- Promote sustainable exploitation of fish resources through: less invasive fishing tools and techniques</li> <li>- Promote use of renewable energy in fish processing (drying, storage and transportation)</li> <li>- Avoid the use of wood in construction of boats to reduce the use of wood and decrease GHG emission</li> <li>- Raise awareness on the need for transition from HCFC-22/HFC to HFO and natural refrigerants which is a non-ozone-depleting HFC refrigerant blend</li> <li>- Consider alternative processing/preservation methods not dependent on cooling (Dried, salted and smoked, Prepared and preserved) and drying rooms and smokehouses that reduce use of natural resources</li> </ul>	<ul style="list-style-type: none"> <li>- Awareness raising sessions and demonstrations to communities</li> </ul>	<ul style="list-style-type: none"> <li>- PMU, INGC, MTA, IDEPA, Subprojects, Contractors, CCPs,</li> </ul>	<ul style="list-style-type: none"> <li>- Activity report</li> </ul>	<ul style="list-style-type: none"> <li>- Bi-Annual</li> </ul>	<ul style="list-style-type: none"> <li>- Main Project</li> </ul>
	<p><b>Organisation and Formalisation of artisanal fisheries</b></p>	<ul style="list-style-type: none"> <li>- Support improved policies and appropriate legal framework for artisanal fisheries and translate the new CCP regulations into a form that is understood by multilingual fishers</li> <li>- Carry out an assessment to determine CCPs current status in all the beneficiary areas</li> <li>- Facilitate a clear line of communication between the CCPs and local authorities through a SEP</li> </ul>	<ul style="list-style-type: none"> <li>- Policy engagement forums</li> <li>- Participatory assessment of CCPs</li> </ul>	<ul style="list-style-type: none"> <li>- PMU, IDEPA, Subprojects, CCPs,</li> </ul>	<ul style="list-style-type: none"> <li>- Policy briefs</li> <li>- Assessment report</li> </ul>		<ul style="list-style-type: none"> <li>- Main Project</li> </ul>

No.	Environmental/Social and climate Impacts	Recommended Mitigation/Enhancement measures	Public Consultation Activities	Responsible Institution in Implementation Phase <sup>26</sup>	Means of Verification (Monitoring and reporting)	Frequency of Verification	Cost Estimate
		<ul style="list-style-type: none"> <li>- Promote community empowerment and co-management through the CCPs with an emphasis on inclusive participation of fishermen in the definition, implementation and monitoring of fisheries management measures (setting up of management and monitoring systems that allow them to address issues)</li> <li>- Advocate for a portion from fishing licence fees and Park fees to be allocated to CCPs to support their monitoring activities (according to Fisheries regulations)</li> <li>- Train and offer mentorship/counselling to CCPs on e.g., NRM, good fishing practices, business management and Disaster Management among other beneficial subjects for sustainable commercialisation of their businesses</li> <li>- Promote and facilitate information sharing and co-operation among park officials, tourism operators and fisheries communities should be improved. This will help to increase compliance with park regulations and reduce the pressure on park officials to enforce compliance through patrols and punitive measures</li> </ul>	<ul style="list-style-type: none"> <li>- Community education on CCPs mandate</li> <li>- Policy engagement forum</li> <li>- Training and mentoring CCPs</li> </ul>		<ul style="list-style-type: none"> <li>- Passed Resolutions</li> <li>- Training reports, mentorship/counselling reports</li> </ul>	Bi-annual	
	<b>Inadequate data and information on fisheries resources</b>	<ul style="list-style-type: none"> <li>- Strengthen CCPs, and establish community management areas, to make it easier to collect data on operations and production trends</li> <li>- Practice effective monitoring of catches and fishing activities at sea and promote the use of camera systems (where possible) and vessel monitoring</li> </ul>	<ul style="list-style-type: none"> <li>- Participatory establishment and/or confirmation of existing community management areas</li> </ul>	PMU, INE, IDEPA	Map of community management area	Weekly collection data and Annual compilation	Main Project

No.	Environmental/Social and climate Impacts	Recommended Mitigation/Enhancement measures	Public Consultation Activities	Responsible Institution in Implementation Phase <sup>26</sup>	Means of Verification (Monitoring and reporting)	Frequency of Verification	Cost Estimate
		systems to improve compliance and collect more accurate information for better decision making.					
	<b>Inadequate Extension Support</b>	<ul style="list-style-type: none"> <li>- Engage a consultant to carry out a comprehensive capacity needs assessment of district level human resources available vis-à-vis project requirements</li> <li>- Provide means of transport and duty allowances for extension agents, in order to ensure maximum support along the value chain</li> <li>- Strengthen the capacity of MIMAIP for the development and the supervision of the co-management systems in the artisanal fisheries subsector</li> </ul>	<ul style="list-style-type: none"> <li>- Technical training of provincial and district MIMAIP delegates</li> </ul>	PMU, IDEPA	Training reports	Quarterly	Main Project
	<b>Weak operation and Maintenance of project infrastructure and facilities</b>	<ul style="list-style-type: none"> <li>- There is need for capacity building to operate and maintain equipment and other facilities</li> <li>- Improve ownership and accountability</li> <li>- Use a participatory approach with high involvement of CCPs to determine community needs, design, location, implementation and operational modalities of infrastructure</li> <li>- Set up market management commission to work with local structures in managing both market linkages and administration of infrastructure sensitization of local actors in implementing own control through organized night patrol</li> <li>- Support and strengthen GRM local system</li> </ul>	<ul style="list-style-type: none"> <li>- O&amp;M training and monitoring</li> </ul>	PMU, IDEPA, Contractors, CCPs, Community	<ul style="list-style-type: none"> <li>- Training report</li> <li>- Monitoring reports</li> <li>- Situational reports from the community</li> </ul>	Quarterly	Main Project
	<b>Non-Compliance of fishermen</b>	<ul style="list-style-type: none"> <li>- Training on maintaining regenerative capacity of the ecosystems.</li> <li>- Collaborate with the Ministry of Environment on monitoring and enforcement of marine protected areas</li> </ul>	<ul style="list-style-type: none"> <li>- Continuous communication and information dissemination</li> </ul>	PMU, IDEPA, Contractors, CCPs, Fisheries Community	Activity report	Quarterly	Main Project

No.	Environmental/Social and climate Impacts	Recommended Mitigation/Enhancement measures	Public Consultation Activities	Responsible Institution in Implementation Phase <sup>26</sup>	Means of Verification (Monitoring and reporting)	Frequency of Verification	Cost Estimate
		<ul style="list-style-type: none"> <li>- Strengthen CCPs with well-equipped patrol teams in sensitisation, conservation and restoration of the natural environment</li> <li>- Promote activities that encourage compliance such as incentives for compliant fishers like rotational warden spots) as compared to activities that increase enforcement (e.g., confiscation of fishing gear)</li> <li>- Promote continuous communication and information dissemination</li> </ul>			Outlier reports and measures taken		
	<b>Limited access to fishery resources</b>	<ul style="list-style-type: none"> <li>- Support and strengthen GRM local system</li> <li>- Promote participatory data informed infrastructural designs to suit all</li> <li>- Site infrastructure design adapted to communities and strong monitoring of the site</li> </ul>	Dissemination of GRM	PMU, IDEPA, CCPs	Disclosed GRM	Preparation stage, Quarterly	Main Project
	<b>Production Capacity below potential</b>	<ul style="list-style-type: none"> <li>- Ensure that producers get financial assistance to procure modernised fishing vessels that can access good quality fish in-sea (in addition to environmental co-benefit)</li> <li>- Support producers in good technology such as Fishfinders as well as training them in fishing technology, in particular in the assembly of selective and appropriate fishing gear,</li> <li>- Ensure that all landing sites have access to fresh water access points</li> <li>- Provide education on good practices in handling, processing and conservation of fish, using ice, salting and drying or smoking</li> <li>- Support producers with improved storage facilities and practices to improve quality of produce and safety against temperature increase</li> </ul>	<ul style="list-style-type: none"> <li>- Training in business management</li> <li>- Education on fish good handling etc</li> </ul>	PMU, IDEPA, Fisheries Community	Training reports	Quarterly	Main project

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		<ul style="list-style-type: none"> <li>- Promote the use of MPV Photovoltaic System (solar power) for market infrastructures and cold storage facilities</li> <li>- Ensure careful and objective selection of beneficiaries according to needs assessment to limit factors of double dipping</li> <li>- Provide means of transport and allowances for extension agents, in order to ensure maximum and continuous support to along the value chain</li> </ul>					
	<b>Poor Market Linkages</b>	<ul style="list-style-type: none"> <li>- Rehabilitation and maintenance of access roads is required. The roads should be designed for resilience to climate change impacts such as floods, cyclones and strong winds</li> <li>- Improve investment climate for private sector</li> <li>- Site specific ESIA's</li> </ul>	Participatory siting	PMU, IDEPA	Activity reports ESIA reports disclosed	Quarterly	Main Project
	<b>Inadequate or limited capacity of private sector (service providers)</b>	<ul style="list-style-type: none"> <li>- Ensure that all Contractors have performance-based contracts and a clear supervision protocol</li> <li>- Employ multi-stakeholder engagement (setting ToR, proposal review and adjudication) and monitoring process for the private sector institutions</li> </ul>	<ul style="list-style-type: none"> <li>- Stakeholder engagement meetings</li> <li>- Public disclosure of ToRs, disclosure of contractor and</li> <li>- Participatory monitoring</li> </ul>	PMU, IDEPA	Record of meeting minutes with resolutions Published ToRs Monitoring reports	Quarterly	Main Project
	<b>Low market price of fish produce</b>	<ul style="list-style-type: none"> <li>- Facilitate direct access to micro, small and medium-sized companies to avoid unscrupulous intermediaries</li> <li>- Ensure producer's access to accurate and reliable market and weather information</li> </ul>	<ul style="list-style-type: none"> <li>- Community awareness and education</li> <li>- Dissemination of weather information</li> </ul>	PMU, IDEPA	Activity reports Weather records	Monthly	Main Project

No.	Environmental/Social and climate Impacts	Recommended Mitigation/Enhancement measures	Public Consultation Activities	Responsible Institution in Implementation Phase <sup>26</sup>	Means of Verification (Monitoring and reporting)	Frequency of Verification	Cost Estimate
		<ul style="list-style-type: none"> <li>- Ensure provision of appropriate storage facilities at landing sites including access to fresh water</li> <li>- Linkages to good transport network</li> <li>- Promote dietary diversity to enhance market for dry fish</li> <li>- Provide fisheries health and hygiene education to communities</li> </ul>	<ul style="list-style-type: none"> <li>- Training on Health and Hygiene education</li> </ul>				
	<b>High vulnerability status of beneficiaries</b>	<ul style="list-style-type: none"> <li>- Project should be oriented towards strengthening resilience and adaptation to climate change to mitigate the high level of vulnerability of fishing communities</li> <li>- Increase institutional capacity to support production, marketing and management of the highest value fish resource</li> <li>- Provide credit schemes to qualifying beneficiaries across the value chain (including matching grants) accompanied with the matching capacity building to safeguard and multiply the loans</li> <li>- Explore introduction of insurance services to cushion fishermen and theirs fishing units</li> <li>- Consider registration of artisanal fishermen in the National Social Security System for backup support in case of physical disability and upon retirement</li> <li>- Promote credit cooperative/associations and encourage savings and revolving credit schemes</li> </ul>	<ul style="list-style-type: none"> <li>- Engagement of Financial and insurance stakeholders</li> <li>- Community awareness raising</li> </ul>	PMU, IDEPA	<ul style="list-style-type: none"> <li>- Agreements and/or MoUs with Financial intermediaries</li> <li>- Report on community engagement</li> </ul>	Quarterly	Main Project
	<b>Economic displacement</b>	<ul style="list-style-type: none"> <li>- Work with communities through the CCPs to diversify livelihoods off sea and increase financial wellness in order to cushion themselves against unfortunate events</li> </ul>	<ul style="list-style-type: none"> <li>- Feasibility assessment of alternative livelihoods</li> </ul>	PMU, IDEPA,	Alternative livelihoods Feasibility report	Preparation phase	Main Project



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		<ul style="list-style-type: none"> <li>- Strengthen CCPs to play a supportive role when the decision to ban the seine gear takes place</li> <li>- Leave at least few sites open during construction intervention to avoid total loss of incomes</li> <li>- Monitor construction to eliminate any possible delays</li> <li>- Local ESC assessment and Construction site specific ESCMP</li> </ul>	<ul style="list-style-type: none"> <li>- Stakeholder consultation during ESMP development</li> </ul>		<ul style="list-style-type: none"> <li>- ESCMP disclosed</li> </ul>		
	<p><b>Gender inequality and women empowerment</b></p>	<ul style="list-style-type: none"> <li>- Improve the organisation of women fish traders and increase their participation in credit and savings groups.</li> <li>- Create an inter-institutional “platform” to strengthen knowledge sharing and coordinated actions in the fish capture sector.</li> <li>- Gender mainstreaming actions should be developed as part of a Gender Development Action Plan. Gender and Social inclusion specialists shall be recruited as part of the PMU on a full time</li> </ul>	<ul style="list-style-type: none"> <li>- Stakeholder Engagement</li> </ul>	<ul style="list-style-type: none"> <li>- PMU, IDEPA, Ministry of Gender and Youth</li> </ul>	<ul style="list-style-type: none"> <li>- Activity report</li> <li>- Gender Action Plan with monitoring indicators</li> </ul>	<ul style="list-style-type: none"> <li>- Quarterly</li> </ul>	<ul style="list-style-type: none"> <li>- 40,000.00</li> </ul>
	<p><b>Exclusion and/or Limited participation and benefits for Women and youth</b></p>	<ul style="list-style-type: none"> <li>- Establish quotas for women and youth and communicate the program objectives, eligibility criteria, selection process and available GRM in partnership with local community organisations and community leaders</li> <li>- Promote activities that result in greater women's access to income and therefore greater economic empowerment</li> <li>- Continuous monitoring of gradual transformational changes and collecting of gender disaggregated data</li> <li>- Support women’s engagement in ancillary segments of the fisheries value chain by providing required</li> </ul>	<ul style="list-style-type: none"> <li>- Stakeholder engagement</li> <li>- Information dissemination</li> <li>- Engaging in country-level policy dialogue</li> </ul>	<ul style="list-style-type: none"> <li>- PMU, IDEPA, Ministry of Women and Social Welfare, Ministry of Youth</li> </ul>	<ul style="list-style-type: none"> <li>- Activity reports</li> </ul>	<ul style="list-style-type: none"> <li>- Quarterly</li> </ul>	<ul style="list-style-type: none"> <li>- 40,000.00</li> </ul>

No.	Environmental/Social and climate Impacts	Recommended Mitigation/Enhancement measures	Public Consultation Activities	Responsible Institution in Implementation Phase <sup>26</sup>	Means of Verification (Monitoring and reporting)	Frequency of Verification	Cost Estimate
		financial and capacity building and mentorship services Country-level policy dialogue in a structured manner and support the design of sectoral strategies with clear milestones and indicators.					
	<b>Elite capture, nepotism and clientelism for any activity</b>	Support development and strengthening of sub-projects SEP and GRM Promote inclusive engagement of the community and systematic monitoring in close relationship with the CCPs	SEP development and dissemination of GRM	PMU, IDEPA	Disclosed SEP and GRM	Preparation phase Quarterly	Main Project
	<b>Community Conflict and/or tension</b>	Use a participatory approach with high involvement of CCPs to determine community needs, design, location, beneficiary identification, implementation and operational modalities GRM and SEP to promote coordination, mutually beneficial and harmonious co-existence between various parties Clearly identify all resource users within the project area and hold consultations and ESC assessments to determine if the project activities will impact them (e.g., changes to hydrology, blocking access, etc.)	Stakeholder assessment Dissemination of information SEP development and dissemination of GRM	PMU, IDEPA, CCPs	Disclosed SEP and GRM	Preparation phase Quarterly	SEP/GRM Budget
	<b>Low Nutritional uptake</b>	Promote household consumption of fish products to enhance nutrition through education and awareness campaign The project should apply a nutrition lens in order to avoid malnutrition among the targeted population. There is need for a multi-stakeholder dialogue and action with related institutions such as agriculture/nutrition, health, education, environment, youth, women and social affairs to	Stakeholder engagement Training of community Monitoring of nutrition uptake	PMU, IDEPA, Ministry of Women and Social Welfare	Activity report Monitoring indicators developed Monitoring reports	Quarterly	Main Project

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		<ul style="list-style-type: none"> <li>- ensure adequate monitoring and support to household nutrition uptake</li> <li>- Collaborate with the Ministry of Agriculture (Dept. of Nutrition) for training on food security and nutrition</li> </ul>					
	<b>Local work and SEA/SH and GBV</b>	<ul style="list-style-type: none"> <li>- Sensitization of local communities, including perceived gatekeepers, establishment of community-driven support measures against SEA/SH and GBV,</li> <li>- Establishment and operationalization of community-driven support measures against SEA/SH and GBV and GBV referral pathways. Gender Based Violence and SEA/SH Assessment and Action Plan shall be prepared, disclosed, consulted upon, adopted, and thereafter implemented across all relevant activities line with international standards and procedures</li> <li>- Training of Government and implementing partners/service providers on GBV, SEA/SH and respect of the IFAD/UN Code of Conduct</li> </ul>	<ul style="list-style-type: none"> <li>- Awareness and Education</li> <li>- Dissemination of GBV and SEA/SH information and action plans</li> </ul>	PMU, IDEPA, Ministry of Women and Social Welfare	<ul style="list-style-type: none"> <li>- Activity reports</li> <li>- GBV and SEA/SH action plan</li> </ul>	<ul style="list-style-type: none"> <li>- Preparation phase</li> <li>- Quarterly</li> </ul>	50,000.00
	<b>Local work and Children</b>	<ul style="list-style-type: none"> <li>- IFAD Environmental and Social Exclusion list</li> <li>- Sensitization of selected communities on child rights and ensure that there is no child labour on project.</li> <li>- Partnership with ministry and department responsible for child labour monitoring to ensure no child labour takes place</li> <li>- Training of Government and implementing partners/service providers on child labour in relation to IFAD and GoM laws</li> </ul>	<ul style="list-style-type: none"> <li>- Community Sensitisation</li> <li>- Participatory Monitoring</li> </ul>	Ministry of Women and Social Welfare	<ul style="list-style-type: none"> <li>- Activity report</li> <li>- Monitoring indicators</li> <li>- Monitoring reports</li> </ul>	Continuous	50,000.00
	<b>Exposure to Waterborne diseases</b>	<ul style="list-style-type: none"> <li>- Contractors and Implementing agencies should seek to avoid or minimize the potential for exposure to diseases and to take necessary measures to improve environmental conditions</li> </ul>	Community health education	PMU, IDEPA, Community	Training reports	Continuous	50,000.00

No.	Environmental/Social and climate Impacts	Recommended Mitigation/Enhancement measures	Public Consultation Activities	Responsible Institution in Implementation Phase <sup>26</sup>	Means of Verification (Monitoring and reporting)	Frequency of Verification	Cost Estimate
		<ul style="list-style-type: none"> <li>- Integrating training on health issues into worker health and safety induction programmes and as a regular part of continuous worker training</li> <li>- Conduct community health education, prevention and treatment programmes as required</li> <li>- Coordinating with the responsible ministry on identification, reporting and surveillance and management of new cases, particularly in the case of an outbreak of a communicable disease the areas of operation</li> </ul>			Health centre reports		
	<b>Exposure to Vector-borne</b>	<ul style="list-style-type: none"> <li>- Encourage administration of required prophylaxis as recommended by the health authorities</li> <li>- Protective clothing and related protective equipment e.g., treated mosquito nets, insect repellent etc</li> <li>- Integrating training on health issues into worker health and safety induction programmes and as a regular part of continuous worker training</li> </ul>	Community health education	PMU, IDEPA, Community	Training reports Health centre reports	Continuous	20,000.00
	<b>HIV, Malaria, respiratory diseases etc</b>	<ul style="list-style-type: none"> <li>- Carrying out pre-employment health checks for all workers employed by primary contractors and subcontractors</li> <li>- Integrating training on health issues into worker health and safety induction programmes and as a regular part of continuous worker training</li> <li>- Take special measures to prevent the spread of HIV/AIDS and other sexually transmitted infections (STIs), both in the workforce and in the greater community</li> <li>- Conduct HIV and AIDS awareness and training through Reproductive Health Rights</li> </ul>	Community health education	PMU, IDEPA, Community	Training reports Health centre reports	Continuous	20,000.00

No.	Environmental/Social and climate Impacts	Recommended Mitigation/Enhancement measures	Public Consultation Activities	Responsible Institution in Implementation Phase <sup>26</sup>	Means of Verification (Monitoring and reporting)	Frequency of Verification	Cost Estimate
	<b>Employment of direct and indirect workers</b>	<ul style="list-style-type: none"> <li>- Promote, to the extent possible, subcontracting to local entrepreneurs – particularly to rural women and youth – to maximize employment creation under decent working condition Monitoring and support enterprises in implementing standards</li> <li>- Labour Management Plan</li> </ul>	<ul style="list-style-type: none"> <li>- Development of Labour Management Plan</li> </ul>	PMU, IDEPA, Contractor	Labour management plan	Construction phase	Main Project
	<b>Occupational Health and safety of workers</b>	<ul style="list-style-type: none"> <li>- Extensive occupational health and safety training for community members engaging in artisanal fisheries including life-saving, food safety and food handling licenses, etc</li> <li>- Provision of protective and safety clothing/gear for workers and community</li> <li>- Support fishers to be able to have fully equipped vessels e.g., life-saving equipment such as safety jackets, radios and GPS.</li> <li>- Provide Safety-at-Sea training</li> <li>- Develop and disseminate a health, safety and emergency response plan</li> <li>- Continuous monitoring</li> </ul>	<ul style="list-style-type: none"> <li>- Community safety and health Education</li> <li>- Compliance Monitoring</li> </ul>	PMU, IDEPA, Contractor	Training reports health, safety and emergency response plan	Continuous	100,000.00
	<b>Archaeological Findings</b>	<ul style="list-style-type: none"> <li>- Chance Finds Procedure</li> <li>- Carry out inspect all excavations, and where archaeological remains are found work must stop until it has been cleared to proceed. The officer should contact the Museums Authorities in the event of a significant archaeological find.</li> </ul>	<ul style="list-style-type: none"> <li>- Communication to relevant stakeholders</li> </ul>	PMU, IDEPA, Contractor	Updates	As and when necessary	25,000.00

## **7. ESCMF Implementation Arrangements**

### **7.1 Institutional Framework**

In Mozambique, environmental affairs are managed and regulated by the Ministry of Land and Environment (MITA). The ministry provides administrative framework for environmental impacts assessments for prescribed projects. The Ministry is headquartered in Maputo and is led by the Department of Environment. The department coordinates and supervises all environmental affairs including enforcement and compliance with Environmental Assessments.

The PROPEIXE PMU will work closely with the MITA to ensure effective implementation of the ESCMP and to address environmental, social and climate challenges that may arise. The National Institute of Disaster Management (INGC) and the National Institute of Meteorology (INAM) will also play a pivotal role in the provision of weather and climate forecasts/information, provision of infrastructure to monitor risks and to manage emergency situations as may be necessary.

#### **7.1.1 Environmental, Social and Climate Safeguards Specialists**

The ESC Safeguards staff comprising of Environmental Safeguards Specialist (ESS), Senior Gender and Social Inclusion Specialist and Climate Specialist will be at national PMU level working hand-in-hand with provincial and district delegations. The ESC Safeguards staff are the technical custodians of the ESCMF, its implementation, monitoring and updating where necessary. In addition, the ESC safeguards staff will have the responsibility to:

- Inform applicants of subprojects and other stakeholders, including local communities, of this ESCMF and related SECAP requirements.
- Assist applicants, and subsequently grantees, in the implementation of the ESCMF and IFAD as well as national policy requirements.
- Review and approve project proposals, ensuring that they adequately apply the IFAD's Safeguard Policies
- Screen for projects proposals against the IFAD exclusion list
- Assess the adequacy of the assessment of project impacts and the proposed measures to address the identified issues.
- Assess the adequacy of the consultation process and the affected communities' broad support to the project—and not provide funding until such broad support has been ascertained; and
- Monitor project implementation, and include constraints and lessons learned in its progress and monitoring reports

The ESS will be responsible for reviewing project related environmental and climate related instruments such as screening reports. They will also ensure that the project complies with SECAP standards 1, 2 and 6. The Senior Social Inclusion Specialist will be responsible for reviewing and managing project related socio-political and economic related issues and will be the focal person for Grievance Redress Mechanism and Labor and social protection laws/policies in the project and ensure that the project complies with Standard 3, 4, 5, 6, 7 and 8<sup>28</sup> requirements. The climate change specialist will ensure that the project complies with standard 9 requirements and how it impacts and is impacted by the other standards. The Safeguards team will liaise closely with other relevant government agencies and stakeholders at national and district levels to ensure that the implementation of the sub-projects conform to IFAD and national environmental and social policies.

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<sup>28</sup> Although PROPEIXE did not trigger Standard 4 and 7 at design stage and is not expected to do so in the sub-projects.

### **7.1.2 Private Sector / Service Provider / NGOs**

The project will work with existing and new partnerships where necessary to ensure project target groups are involved in the design, implementation, and monitoring & evaluation of the activities in their schemes. The 4Ps will be responsible for understanding the requirements of this ESCMF and ESCMP and implement its provisions in addition to additional plans that the 4Ps will be developing during the course of the project implementation. The 4Ps NGOs will be responsible for:

- i. Day to day compliance of the ESCMF
- ii. Developing project proposal and thus also responsible for implementing relevant studies/assessments and management plans (ESIA, ESCMP, FPIC, GRM, SEP etc) in line with the type of project being proposed.
- iii. Maintaining and keeping all administrative and environmental records which would include a log of complaints together with records of any measures taken to mitigate the cause of the complaints.

As noted earlier, the subsequent management plan(s) will describe the roles and responsibilities in the implementation of the plan(s). Those new roles and responsibilities will be assessed and integrated, as appropriate, as part of the participatory decision-making and implementation arrangements of the project.

### **7.1.3 Partner Financial Institutions**

PFI may include commercial banks, building societies, and microfinance institutions (MFIs). PFIs will be responsible for:

- Compliance of the ESCMF
- Develop Environmental and Social Management Systems (ESMS)
- Ensure compliance with the requirements of environmental, social and climate Standards throughout the project cycle
- Assuming delegated responsibility for environmental, social and climate assessment, risk management and monitoring, and overall portfolio management of their clients
- Continuously monitor on-lending and respond to accidental and emergency situations in their operations and
- Submission of annual environmental and social reports on the implementation of the ESMS and on-lending operations.

## **8. ESCMF Monitoring**

As one of the key elements of the ESCMF, a three-tier monitoring program is proposed comprising compliance monitoring, effects monitoring, and external monitoring. The main purpose of this monitoring program is to ensure that the various tasks detailed in the ESCMP particularly the mitigation measures are implemented in an effective manner, and also to evaluate program impacts on the key environment and social parameters. It is used for timely identification and correction of administrative, financial, or technical lapses or inadequacies in the execution of programme environmental and social risk mitigation measures.

Various types of ESCMP monitoring are discussed below.

### **Compliance Monitoring**

The purpose of the compliance monitoring is to ensure that the mitigation measures given in the ESCMP are effectively and timely implemented. This monitoring will generally be carried out by the Safeguards Specialist with the help of checklists to be prepared on the basis of the Mitigation Plan.

### **Effects Monitoring**

During project implementation, Effects Monitoring is a very important aspect of environmental management to safeguard the protection of environment. The effects monitoring plan will comprise surveillance to check whether the contractor is meeting the provisions of the contract during construction and operation of the program including the responsible agencies for implementation and supervision. Effects monitoring will also allow to see either gradual, rapid or no change in community conservation and restoration efforts

### **Third Party Monitoring**

External monitoring of ESCMF implementation can be done by an independent consultant but can also be achieved through bi-annual IFAD monitoring missions. The main purpose of the external monitoring will be to ensure that all the key entities including PMU, MIMAIP all departments and service providers are effectively and adequately fulfilling their designated role for ESCMF implementation, and that all the requirements are being implemented in a timely and effective manner. The ToR of the external monitoring will be presented in the EIA report.

### **Performance Indicators**

For evaluating the performance of the environmental and social management and monitoring plan, performance indicators are identified for efficient and timely implementation of measures/actions proposed in ESCMP. The indicators are defined both for implementation phase and for post project period. NGOs/Service providers will be responsible for compiling the information on these indicators and report to the PMU. Separate performance indicators for each issue will be specified in the mitigation plans in the ESCMP, and will be more refined in the associated subprojects ESIA/ESCMPs.

To measure the overall environmental performance of the program, an additional list of performance indicators is given below;

- Number of inspections carried out by per month.
- Number of non-compliances observed
- Availability of environmental, social and climate specialists in the PMU
- Availability of environmental and social specialists with contractors
- Timely reporting of documents (as defined in ESCMP and monitoring plan)



- Number of trainings imparted to stakeholders and other capacity building initiatives
- Timely disbursement of compensation where it applies
- Timely implementation of resettlement schedule
- Number of grievances received and Number of grievances resolved
- Number of construction related accidents.

An example of a monitoring plan is given in table 9 below:

Table 11: Monitoring Activities and Indicators

Issue	Method Of Monitoring	Areas of Concern	Positive Indicator	Frequency	Responsible Authorities
<b>Marine Biodiversity</b>	<p>Setting conservative target catch levels.</p> <p>Provide training to fishing communities on fishing practices, restocking and sustainable harvesting.</p> <p>Fishing Effort through Catch per Unit Effort (CPUE)</p> <p>Survey and regular assessments.</p>	<p>over exploitation of fish resources.</p> <p>inappropriate fishing and poor harvesting techniques.</p>	<p>No allowance of fishing over the set fishing limits.</p> <p>use of the developed standard operating procedures of good fishing practices.</p> <p>Fisheries statistical Data analysis published</p>	<p>Annually and ongoing as project is implemented and after project is terminated</p>	<p>PMU</p> <p>IDEPA</p> <p>CCPs</p>
<b>Land and Soils</b>	<p>The Contractors should make a daily inspection of earth works and ensure that slopes are suitably graded. Once earthworks are complete. A qualified specialist from the PMU should monitor the restoration measures implemented by the Contractor, such as re-vegetation</p>	<p>Soil erosion</p> <p>Conservation activities</p>	<p>an absence of rills, gullies or other erosion features occurs</p>	<p>Quarterly and ongoing as project is implemented</p>	<p>PMU</p> <p>IDEPA, MTA</p> <p>Contractor</p> <p>CCPs</p> <p>Department of Forestry</p>

Issue	Method Of Monitoring	Areas of Concern	Positive Indicator	Frequency	Responsible Authorities
<b>Vegetation and aquatic habitat protection</b>	<p>The Contractors must clear area to be used and site works only</p> <p>Prohibit cutting down of forest including mangrove trees for firewood</p> <p>Adopt modern processing methods (solar driers)</p> <p>Promote planting of fast-growing trees to be used in afforestation as a sustainable solution</p> <p>Identify reservoirs whose catchments have sound ecosystem-based watershed management characterized by hillsides afforestation, terraces for farming and excellent rangeland canopy</p>	<p>Clearing of the project sites and disturbance of animals</p> <p>flora and fauna</p> <p>Deforestation due to increased need for firewood for fish processing</p> <p>Siltation of water resources from upland activities</p> <p>Drying out of water reservoirs during the dry season</p>	<p>No unnecessary vegetation cleared</p> <p>Number of modern processing methods Adopted</p> <p>Number of fast-growing trees planted in the affected sites</p> <p>Increased number of reservoirs located in catchment areas with vegetative buffer zone</p>	<p>Annually and ongoing as project is implemented</p>	<p>PMU</p> <p>IDEPA, MTA</p> <p>Contractor</p> <p>CCPs</p> <p>Department of Forestry</p>
<b>Water</b>	<p>Adopt and adapt waste management procedures at project sites.</p>	<p>Increased pollution from improper disposal of effluents from fish processing.</p>	<p>Number of processing sites that have Adopted improved waste management procedures.</p>	<p>Annually and ongoing as project is implemented</p>	<p>PMU</p> <p>IDEPA, MTA</p> <p>Contractor</p> <p>CCPs</p> <p>Department of Water</p>
<b>Archaeology</b>	<p>This should concentrate on chance finds. Provision should be made to allow archaeologists to be present on site during</p>	<p>Archaeological Findings</p>	<p>Number of Chance finds reported.</p>	<p>Annually and ongoing as project is implemented</p>	<p>PMU</p> <p>IDEPA, MTA</p>

Issue	Method Of Monitoring	Areas of Concern	Positive Indicator	Frequency	Responsible Authorities
	<p>the excavation periods if they so wish. The PMU should inspect all excavations, and where archaeological remains are found work must stop until the PMU has given all clear to proceed. The PMU should contact the Museums Authorities in the event of a significant archaeological find.</p>		<p>Archaeological remains not excavated, disturbed, or destroyed.</p>		<p>Contractor CCPs Department of Museum and Monuments</p>

## 9. Training and Capacity Building

Capacity building for effective implementation of the environmental, social and climate safeguards requirements is a key element of the ESCMP. Capacity building for the safeguards management will need to be carried out at all tiers of the program;

- 1) MIMAIP central departments
- 2) Project Steering and Technical Committees
- 3) IDEPA provincial delegations
- 4) IDEPA District delegations
- 5) Inter-ministerial Provincial and District level extension personnel
- 6) NGO/private sector partners/service providers
- 7) Contractors
- 8) CCPs

At the construction site, the PMU will take the lead in implementing the capacity building plan, though the contractors will also be responsible to conduct trainings for their own staff and workers. The various aspects that are covered under the capacity building will include general environmental, social and climate awareness, key environmental and social sensitivities of the area, key environmental and social impacts of the program, ESCMP requirements, Operational Health and Safety aspects, and waste disposal. Table xx below provides a summary of various aspects of the environmental and social trainings to be conducted at the construction sites. The plan may be revised during the program implementation as required. During the post project period of the program, these trainings will continue to be conducted by IDEPA staff for all relevant personnel and community.

Training Content	Recipients	Responsibility	When
Key findings from ESCMF & subprojects ESIA/ESCMP & mitigation measures Environmental, social and climate sensitivity of the project areas	Provincial, District delegations Service providers CCPs	PMU IDEPA MITA INGC	Prior to the start of the program activities. (To be repeated as needed.)
Environmental management Plan Waste disposal plan OHS	Contractors CCPs	PMU, IDEPA MITA	Prior to the start of the construction activities
Road/waterway safety Defensive driving/sailing Waste disposal	Fisheries community	PMU, IDEPA MITA	Before the start of vessel operation.
Landing site operation Waste disposal OHS Natural resource conservation and restoration	Contractors CCPs Fisheries community	PMU, IDEPA MITA	Before and during the field operations. (To be repeated as needed.)
Disaster Risk Reduction and Management	Contractors CCPs Fisheries community	PMU, IDEPA MITA INGC	Before the project and at the onset of each season

## 10.ESCMF Implementation Cost

Most of the mitigation measures proposed will be part of the main project implementation and has been budgeted there through the various project components. The following breakdown is the cost estimates for implementing and monitoring the recommended mitigation measures throughout the project life. During implementation, the ESCMP should be revised once construction and operational activities are well defined.

### Implementation Budget Summary

Table 12: ESCMP Implementation budget

No.	ACTIVITY	TOTAL
1	Site-specific ESIA's, ESMPs and Environmental License fees	100,000.00
2	Appraisal/Updating of ESCMP	20,000.00
3	Mitigation Measures	Main Project
4	SECAP Training (PMU, MIMAIP delegations, Service Providers)	50,000.00
5	Community level trainings on GRM	50,000.00
6	Community level training on Environmental Management, Sustainable fisheries Management	Main Project
7	Community level trainings on gender, social inclusion, GBV/SEAH, child protection	50,000.00
8	Community level training on i) occupational health (safety at sea) ii) public health and iii) disaster risk management	50,000.00
9	Monitoring, Mentorship and Evaluation Field Visits	150,000.00
10	Environmental and Social Training - development and implementation of a capacity-building programme on environmental and social assessment	25,000.00
11	Bi-Annual Support Missions	Main Project
12	Bi-Annual ESC Audit	18,000.00
13	End of Project ESC Audit	10,000.00
	Sub-total	543,000.00
	15% Contingency	66,450
	<b>Total</b>	<b>624,450.00</b>

## 11. Chance Finds

### Introduction

The baseline and impact assessment for the PROPEIXE project identified a potential for previously undiscovered cultural heritage features to occur throughout the project area. These include both sensitive cultural sites (sacred trees and pools, medicinal plants, graves) and archaeological remains (ancient stone tools, pottery sherds). To provide appropriate mitigation of potential archaeological disturbance during construction, this Chance Find Procedure (CFP) has been prepared. This CFP should be disseminated to all relevant parties on site involved in the construction of the CTT project.

Chance Finds are defined as cultural heritage objects, commonly related to archaeological or historic sites (e.g. pottery, bones, stone tools) that are unexpectedly encountered during project related activities/ clearance. A CFP is a project-specific instruction that outlines the actions to be taken if archaeological objects are accidentally encountered.

Archaeological artefacts constitute “Moveable Cultural Heritage” assets as stated in, and protected by, Mozambique Cultural Protection Law No. 10/88.

The Proponent is advised to commence clearance and preparation activities as early as possible, prior to the start of proposed construction activity. This will ensure that any delays that may result from the accidental disturbance of archaeological assets (and the subsequent implementation of this Procedure) are resolved as efficiently as possible. As set out in detail below, delays would involve time for the archaeologist to investigate a disturbed site and recommend appropriate recommendation (e.g., preservation in situ and Project redesign or archaeological excavation / evaluation and preservation by record).

The purpose of this document is to provide project implementing team (including contractors) with the appropriate response guidelines taking into consideration international best practice based on IFAD SECAP and 1972 UNESCO Convention on the Protection of World Cultural and Natural Heritage (World Heritage Convention) that should be implemented in the event of chance discovery of heritage resources. The guidelines or chance finds procedures (CFPs) can be incorporated into the project policies that may have relevance during construction and operational phases. The CFPs aim to avoid and/or reduce project risks that may result due to chance finds, whilst considering international best practice.

### Chance Find Procedures

The following procedural guidelines must be considered in the event that previously unknown heritage resources or burial sites are exposed or found during the life of the project.

#### Initial Identification and/or Exposure

Heritage resources or burial sites may be identified during construction or accidentally exposed. The initial procedure when such sites are found aim to avoid any further damage. The following steps and reporting structure must be observed in both instances:

The person or group (identifier) who identified or exposed the burial ground must cease all activity in the immediate vicinity of the site;

The identifier must immediately inform his/her supervisor of the discovery;

The supervisor must ensure that the site is secured and control access; and

The supervisor must then inform the relevant PROPEIXE personnel responsible for at least the following portfolios: Social Safeguards, Community Liaison (CL), Environmental Control (EC) and/or Health and Safety (HS).

**Chance Find Procedures:**

Heritage Resources in the event that previously unidentified heritage resources are identified and/or exposed during construction or operation of the project sub components, the following steps must be implemented subsequent to those outlined above:

- The Project Manager through the regional PMU coordinator and/or Social Safeguards department must be notified of the discovery;
- A qualified specialist will be assigned to consider the heritage resource, either via communicating with the officers on the ground via telephone or email, or based on a site visit;
- Appropriate measures will then be presented to the Project Manager;
- Should the specialist conclude that the find is a heritage resource protected in terms of the (Mozambique Law No. 10/88), the Project Manager through the Project Director will notify the Department of Museums and Monuments
- Based on the comments received from the department, the project will provide a Terms of References Report and relevant associated costs if necessary.

**Chance Find Procedures: Paleontology**

**Isolated Bone Finds**

In the process of digging excavations, isolated bones may be spotted in the hole sides or bottom, or as they appear on the spoil heap. By this is meant bones that occur singly, in different parts of the excavation. If the number of distinct bones exceeds six pieces, the finds must be treated as a bone cluster (below).

**Response of personnel**

The following responses should be undertaken by personnel in the event of isolated bone finds:

Action 1: An isolated bone exposed in an excavation or spoil heap must be retrieved before it is covered by further spoil from the excavation and set aside;

Action 2: The site foreman and EC Officer must be informed;

Action 3: The responsible field person (site foreman or EC Officer) must take custody of the fossil. The following information is to be recorded:

- Position (excavation position);
- Depth of find in hole;
- Digital image of hole showing vertical section (side); and
- Digital image of fossil.

Action 4: The fossil should be placed in a bag (e.g. a Ziploc bag), along with any detached fragments. A label must be included with the date of the find, position information, and depth; and

Action 5: The EC Officer is to inform the national authorities

**Response by Department of Museums and Monuments**

The Department of Museums and Monuments will assess the information and liaise with the ESWC and the EC Officer and a suitable response will be established.



## **Bone Cluster**

A bone cluster is a major find of bones (e.g. several bones in close proximity or bones resembling parts of a skeleton). These bones will likely be seen in broken sections of the sides of the hole and as bones appearing in the bottom of the hole and on the spoil heap.

### **Response of personnel**

The following responses should be undertaken by personnel in the event of bone cluster finds:

Action 1: Immediately stop excavation in the vicinity of the potential material. Mark or flag the position as well as the spoil heap that may contain fossils;

Action 2: Inform the site foreman and the EC Officer; and

Action 3: The EC Officer is to inform the developer who must then contact Department of Museums and Monuments contracted to be on standby. The EC Officer is then to describe the occurrence and provide images via email.

### **Response by Department of Museums and Monuments**

The Department of Museums and Monuments will assess the information. It is likely that a Field Assessment by the Department of Museums and Monuments will be carried out. It will be probably be feasible to avoid the find and continue to the excavation farther along, or proceed to the next excavation, so that the work schedule is minimally disrupted. The response time/scheduling of the Field Assessment is to be decided in consultation with the developer/owner and the environmental consultant. The Field Assessment could have the following outcomes:

- If a human burial, the appropriate authority is to be contacted. The find must be evaluated by a human burial specialist to decide if Rescue Excavation is feasible, or if it is a Major Find.
- If the fossils are in an archaeological context, an archaeologist must be contacted to evaluate the site and decide if Rescue Excavation is feasible, or if it is a Major Find.
- If the fossils are in a paleontological context, the paleontologist must evaluate the site and decide if Rescue Excavation is feasible, or if it is a Major Find.

### **Rescue Excavation**

Rescue Excavation refers to the removal of the material from the “design” excavation. This would apply if the amount or significance of the exposed material appears to be relatively circumscribed and it is feasible to remove it without compromising contextual data. The time span for Rescue Excavation should be reasonable rapid to avoid any undue delays, e.g. one to three days and definitely less than one week. In principle, the strategy during the mitigation is to “rescue” the fossil material as quickly as possible. The strategy to be adopted depends on the nature of the occurrence, particularly the density of the fossils. The methods of collection would depend on the preservation or fragility of the fossil and whether in loose or in lithified sediment. These could include:

- On-site selection and sieving in the case of robust material in sand; and
- Fragile material in loose sediment would be encased in blocks using Plaster-of-Paris or reinforced mortar. If the fossil occurrence is dense and is assessed to be a “Major Find”, a carefully controlled excavation is required.

### **Major Finds**

A Major Find is the occurrence of material that, by virtue of quantity, importance and time constraints, cannot be feasibly rescued without compromise of detailed material recovery and contextual observations.

### **Management options for major finds**

In consultation with the developer/owner and the environmental consultant, the following options should be considered when deciding on how to proceed in the event of a Major Find.

#### Option 1: Avoidance

Avoidance of the Major Find through project redesign or relocation. This ensures minimal impact to the site and is the preferred option from a heritage resource management perspective.

When feasible, it can also be the least expensive option from a construction perspective. The find site will require site protection measures, such as erecting fencing or barricades. Alternatively, the exposed finds can be stabilized and the site refilled or capped. The latter is preferred if excavation of the find will be delayed substantially or indefinitely. Appropriate protection measures should be identified on a site-specific basis and in wider consultation with the heritage and scientific communities.

This option is preferred as it will allow the later excavation of the finds with due scientific care and diligence.

#### Option 2: Emergency Excavation

Emergency excavation refers to the “no option” situation where avoidance is not feasible due to design, financial and time constraints. It can delay construction and emergency excavation itself will take place under tight time constraints, with the potential for irrevocable compromise of scientific quality. It could involve the removal of a large, disturbed sample by an excavator and conveying this by truck from the immediate site to a suitable place for “stockpiling”. This material could then be processed later.

Consequently, the emergency excavation is not the preferred option for a Major Find.

### Exposure of Fossil Shell Beds

#### (a) Response of personnel

The following responses should be undertaken by personnel in the event of intersection with fossil shell beds:

Action 1: The site foreman and EC Officer must be informed;

Action 2: The responsible field person (site foreman or EC Officer) must record the following information:

Position (excavation position);

Depth of find in hole;

Digital image of the hole showing the vertical section (side); and

Digital images of the fossiliferous material.

Action 3: A generous quantity of the excavated material containing the fossils should be stockpiled near the site, for later examination and sampling;

Action 4: The EC Officer is to inform the developer who must then contact the Department of Museums and Monuments. The EC Officer is to describe the occurrence and provide images via email.

**(b) Response by Department of Museums and Monuments**

The Department of Museums and Monuments will assess the information and liaise with the developer and the EC Officer and a suitable response will be established. This will most likely be a site visit to document and sample the exposure in detail, before it is covered up.

**Exposure of Fossil Wood and Peats**

**(a) Response of personnel**

The following responses should be undertaken by personnel in the event of exposure of fossil wood and peats:

Action 1: The site foreman and EC Officer must be informed;

Action 2: The responsible field person (site foreman or EC Officer) must record the following information:

Position (excavation position);

Depth of find in hole;

Digital image of the hole showing the vertical section (side); and

Digital images of the fossiliferous material.

Action 3: A generous quantity of the excavated material containing the fossils should be stockpiled near the site, for later examination and sampling;

Action 4: The EC Officer is to inform the developer who must then contact the archaeologist. The EC Officer is to describe the occurrence and provide images via email.

**(b) Response by Department of Museums and Monuments**

The Department of Museums and Monuments will assess the information and liaise with the developer and the EC Officer and a suitable response will be established. This will most likely be a site visit to document and sample the exposure in detail, before it is covered up.

**Monitoring for Fossils**

A regular monitoring presence over the period during which excavations are made, by either an archaeologist or paleontologist, is generally not practical. The field supervisor or foreman and workers involved in digging excavations must be encouraged and informed of the need to watch for potential fossil and buried archaeological material. Workers seeing potential objects are to report to the field supervisor who, in turn, will report to the EC Officer. The EC Officer will inform the archaeologist and/or paleontologist contracted to be on standby in the case of fossil finds. To this end, responsible persons must be designated. This will include hierarchically:

The field supervisor or foreman who is going to be most often in the field;

The EC Officer for the project;

The Project Manager Should the monitoring of excavations be stipulated in the Archaeological Impact Assessment and/or the Heritage Impact Assessment, the contracted Monitoring Archaeologist (MA)

can also monitor for the presence of fossils and a make field assessment of any material brought to attention. The MA is usually sufficiently informed to identify fossil material and this avoids additional monitoring by a paleontologist. In shallow coastal excavations, the fossils encountered are usually in an archaeological context.

The MA then becomes the responsible field person and fulfils the role of liaison with the paleontologist and coordinates with the developer and the EC Officer. If fossils are exposed in non-archaeological contexts, the paleontologist should be summoned to document and sample/collect them.

The CFP's presented in this document serve as international best practice policy for the accidental discovery of heritage resources and burial sites. Based on the definitions provided within this document and the proposed lines of communication, the project will be able to mitigate the accidental discovery of heritage resources and burial sites throughout the various phases of the project.

## **12. Stakeholder Engagement Plan (SEP)**

### **12.1 Description of stakeholder engagement**

This SEP is guided by IFAD's Framework for Operational Feedback from Stakeholders and the Enhanced Complaints Procedure for alleged Non-Compliance with IFAD's Social, Environmental and Climate Assessment Procedures (SECAP).

PROPEIXE will ensure inclusive stakeholder engagements throughout the project life cycle. Where properly designed and implemented, it supports the development of strong, constructive and responsive relationships that are important for successful management of a project's environmental and social risks. Stakeholder engagement is a continuous and interactive process, through which PROPEIXE will identify, communicate, and facilitate two-way dialogue with communities and persons affected by project decisions and activities, as well as with other stakeholders interested in the Project.

This Stakeholder Engagement will be free of manipulation, interference, and intimidation, and conducted on the basis of timely, relevant, understandable and accessible information, in a culturally appropriate format. It involves interactions between identified groups of people and provides stakeholders with an opportunity to raise their concerns and opinions, and ensure that this information is taken into consideration when making project decisions.

The project will further put in place specific measures to ensure the inclusion of marginalised and disadvantaged and vulnerable groups, such as women, youths, disabled, and internally displaced people. The project will ensure that it provides and seeks feedback from these groups and that members of these groups have equal opportunity to access funding and information, and/or submit grievances. In order to identify and address issues specific to vulnerable groups, stakeholder engagement will use focus group discussions, public gatherings and consultations with to capture special needs of the vulnerable groups. In addition, timing and location of meetings will have special considerations for the multiple role of women and times that are more productive at sea.

### **12.2 Project level Grievance Redress Mechanism**

IFAD requires all borrowers/recipients/partners to establish an easily accessible project-level grievance redress mechanism to receive and resolve concerns and complaints of people who believe they have been, or are likely to be, harmed by IFAD-financed projects/programmes. If the lead agency is not responsive to stakeholders' concerns, or if they fear retaliation, stakeholders may also raise their concerns directly to IFAD through its Complaints Procedure for Alleged Non-Compliance with IFAD's Social, Environmental and Climate Assessment Procedures (SECAP) (Complaints Procedure). Therefore, this SEP will guide PROPEIXE consultations and engagement with target groups, communities and other stakeholders throughout the project life cycle, in order to ensure that their feedback is considered. The objective of this SEP is thus to ensure: (i) that communities contribute to the Fisheries development of management plans and provide feedback on ESCMP reports and other important documents; (ii) broad community support of projects and (iii) that affected people endorse the proposed risk reduction, mitigation and management measures.

PROPEIXE will therefore ensure extensive and inclusive consultations, ensuring non-discrimination and provide opportunities for disadvantaged and vulnerable groups or individuals to participate in and benefit from projects on an equal basis with others. PROPEIXE will ensure that consultations employ a combination of appropriate tools and approaches, leading to consent throughout implementation stage. The results will be documented and reflected in the SECAP review note. PROPEIXE will ensure

participatory planning and seek FPIC when project activities affect the land access and use rights of communities.

### **12.3 Disclosure**

IFAD's Policy on the Disclosure of Documents, approved in 2010, adopted the principle of "presumption of full disclosure". PROPEIXE will ensure that all relevant documents are shared with stakeholders in an accessible place in the project-affected area, in a form and language understandable to project-affected parties and other stakeholders. Sharing these documents not only keeps all parties informed, but ensures their meaningful input into project design and risk mitigation. This disclosure will take into account any specific information needs of the community (e.g. related to culture, disability, literacy, mobility or gender). Comments on SECAP-related disclosed documents can be submitted to MIMAIP district and national level offices as well as through the SECAP Help Desk: [secaphelpdesk@ifad.org](mailto:secaphelpdesk@ifad.org).

### **12.4 Grievance redress mechanisms**

PROPEIXE will be responsible for monitoring compliance of the environmental and social risk management. IFAD will continue to address risks and impacts through its quality enhancement and assurance process, and through project implementation support, it remains committed to: (i) working with the affected parties to resolve complaints; (ii) ensuring that the complaints procedure and project-level grievance mechanism are easily accessible to affected persons, culturally appropriate, responsive and efficient; and (iii) maintaining records of all complaints and their outcomes.

Therefore, PROPEIXE will adopt an easily accessible grievance mechanism at project-level in order to receive and resolve concerns and complaints of people who may be adversely affected or potentially harmed by project activities that fail to meet the SECAP Standards and related policies. The project team will inform project affected people and communities about the existence and functioning of this mechanism in an easily understandable form and language, and will integrate it into the overall community engagement strategy. This procedure will enable complainants' concerns to be resolved in a fair and timely manner through an independent process, via e-mail at [SECapcomplaints@ifad.org](mailto:SECapcomplaints@ifad.org), IFAD's Website or by post.

The project level grievance redress mechanism will incorporate existing formal and informal grievance mechanisms and strengthen the already existing community grievance redress mechanisms. Project-affected people will use the grievance mechanism without retribution or reprisal, and the grievance mechanism will not impede access to other judicial or administrative remedies available under national law or through existing arbitration procedures or other accountability mechanisms.

Managing gender-based violence/sexual exploitation and abuse/sexual harassment related grievances (GBV/SEA/SH)

The PMU shall identify and engage a GBV service provider who will provide awareness raising and training in the project area. This service provider will also provide support and referrals for health services, case management and legal support services. The project GRM will allow for anonymous reporting of GBV/SEA/SH through accessible, safe, and confidential channels. The following procedures will be used to report all GBV/SEA/SH cases related to the project:

In-person reporting – Anyone making a complaint related to GBV/SEA/SH may file a report in person to the project field officer.

Toll free line – [Linha Verde 1458 emergency hotline \(Green Line\)](#), a toll-free hotline in Mozambique launched in May 2019 (UNFPA) in the aftermath of Cyclones Idai and Kenneth as a feedback mechanism for humanitarian assistance recipients.

#### **12.5 SEP implementation, monitoring and reporting**

The project team in collaboration with relevant stakeholders will establish a dedicated team for the management, coordination and implementation of the ESIA including this SEP. The project needs to engage a social and environmental officer who will ensure compliance of the SECAP and the SEP. This officer and the project field officer will oversee all stakeholder engagement activities. The project needs to set aside dedicated budget for the implementation of the SEP and the GRM.

## 13. Grievance Redress Mechanism

### 1.0 Introduction

The Project officials should describe the process that would be used for resolving disputes relating to resource use restrictions that may arise between or among affected communities, and grievances that may arise from members of communities who are dissatisfied with the eligibility criteria, community planning measures, or actual implementation.

The objective of the project GRM is to provide project stakeholders with accessible and inclusive means to raise issues, concerns and grievances and allow the project leadership structures to respond and act upon them in a timely, effective and transparent manner that promotes a good direct and indirect stakeholder relationship and a harmonious atmosphere. For PROPEIXE, grievances may arise among Project Implementing Parties, Project-affected Parties and other Interested Parties on variety of issues ranging from consultation processes, implementation modalities, eligibility criteria, quality of services, social exclusion, sharing of benefits and common misunderstandings. Stakeholder expectations against reality on the ground is also a common cause of conflict and grievances.

As part of the continuous consultation process, a GRM has been developed for the project. The GRM will consist of three parallel systems i) a community-based system ii) a formal system as well as iii) additional IFAD Accountability and Complaints Procedures.

The GRM will be a system by which queries or clarifications about the programme will be responded to, problems with implementation will be resolved, and complaints and grievances will be addressed efficiently and effectively<sup>29</sup>. The purpose of the grievance redress mechanism is:

- To be responsive to the needs of beneficiaries and to address and resolve their grievances;
- To serve as a conduit for soliciting inquiries, inviting suggestions, and increasing community participation;
- To collect information that can be used to improve operational performance;
- To enhance the programme's legitimacy among stakeholders;
- To promote transparency and accountability;
- To deter fraud and corruption and mitigate programme risks.

When an aggrieved person declares a grievance, they may elect to take the community-based route or the more formal one as follows:

#### Community Based System

This will be a stand-alone Grievance Mechanism where the communication mechanism involves only community members and will tend to be site specific. Individual project participants, groups and clusters may opt to use the community-based system to resolve certain issues before going to the more formal system. The system will be used to facilitate agreements among community members but also to solve disagreements where these might occur.

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<sup>29</sup> Project Staff related grievances mechanisms should be addressed through the national and PMU specific Labour Management Procedures



It is known that communities rely substantially on their own internal social regulatory systems including mechanisms to deal with grievances that work in parallel with the formal systems. Under PROPEIXE, it is recommended that these be used to the extent possible at community level. Recourse where necessary will be facilitated by the Project, but will ensure easy access to program information through culturally appropriate means and language of communication.

Negotiation and agreement by consensus will provide the first avenue to iron out and resolve any grievances expressed by project affected individuals. In this context, appropriate community-based channels of grievance redress mechanisms will be put in place, and the project affected people sensitised to make use of them.

Normally, the channels have to be in line with norms of the communities as well as laws of the country. During stakeholder consultation, it was established that the conflict resolution structures in Mozambique are not clear and varies from place to place. The social disturbances in the country have also disrupted traditional and community systems. Sub-projects are encouraged to make modifications where necessary based on the situation that will be on the ground.

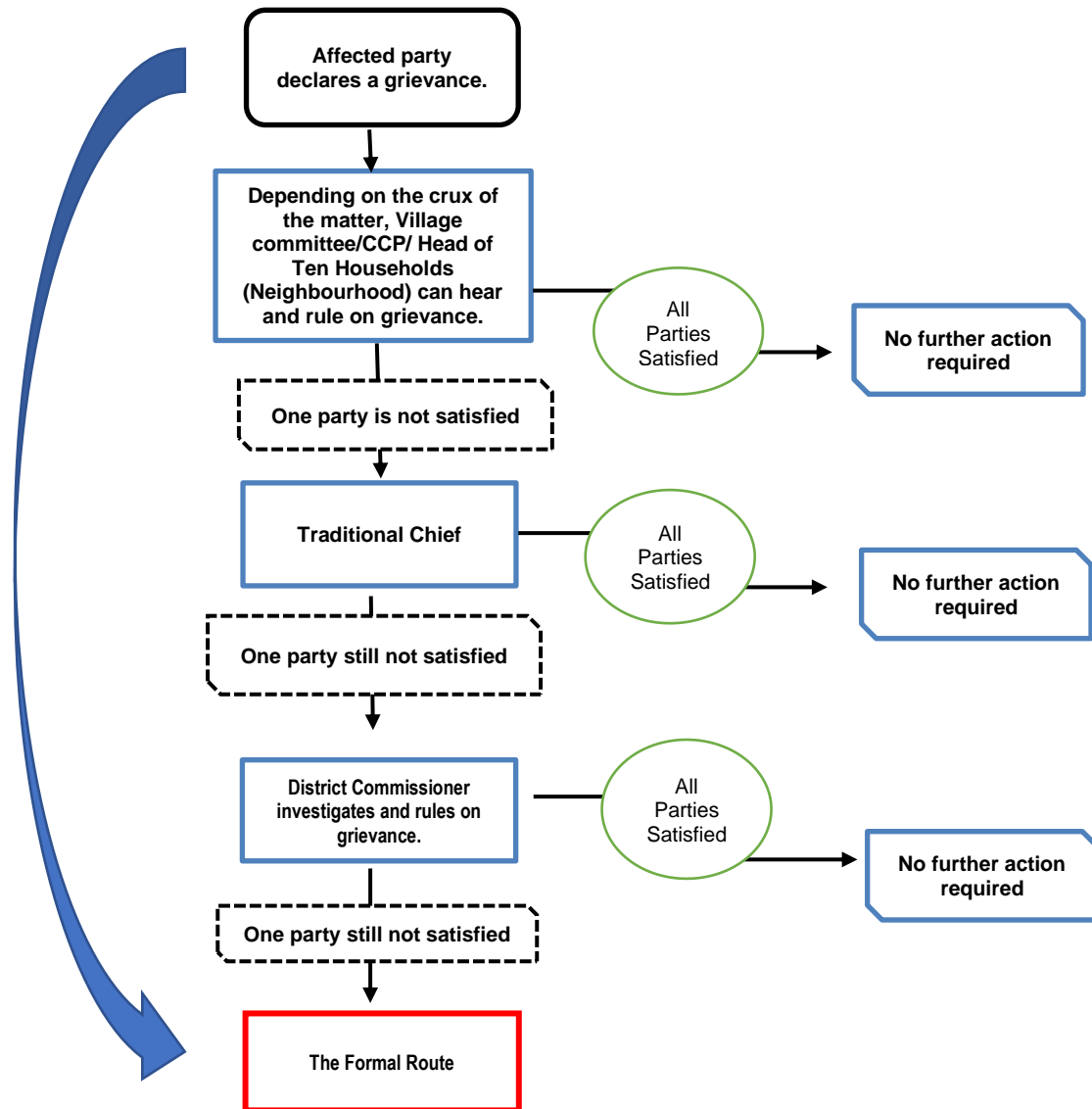
**i) Community Fishing Councils and Village Committees**

Depending on the nature and characteristics of the issue at stake, the CCPs or the Village committee will make first judgment to accept or reject a grievance. If accepted, the matter can be heard and finalized but if not or if the complainant is not satisfied, the matter can be taken to the area Chief. The village head organises a village tribunal to preside over the matter. The village committee or tribunal will have a set time (possibly 10 days) from receipt of the grievance to act upon. The district PMU delegate should be in attendance in their administrative capacity.

*NB: both the CCP and Village Tribunal representatives should be part of the grievance management process regardless of where it would have been lodged.*

**iv) Area Chief** - When one party is not satisfied with the decision at village/CCP level, the complaint can be taken up to the Chief of the area. The Provincial PMU delegate should be in attendance during the hearing in their administrative capacity. However, those who are not satisfied will be allowed to appeal to the District Commissioner (DC) of the district and ultimately take the formal route.

The project representative (PMU), should record the events accordingly for possible remedial action, lessons learnt and future programming.



**Figure 9: Community Based System**

**Formal GRM**

The formal Grievance Redress Mechanism detailed below consists of the following components: -

- The access point for impacted/concerned people will be situated as close to the beneficiary farmers/entrepreneurs as possible, at such places as the sub-project and ministry offices. PROPEIXE PMU project staff will be responsible for receiving the Grievances, classifying and logging them.
- An acknowledgement of receipt should be given to the complainant containing an expectation of when they will receive a response.
- The grievance is then assessed and investigated to identify all the key facts.
- A resolution is then arrived at and the proposed actions are confirmed with PROPEIXE senior members of staff.
- A response is then communicated to the complainant within the timescale promised.
- The complainant is given room to appeal to the project responsible Ministry through

the PMU or the Courts of Law if they are not satisfied with the response.

- Once done the case is brought to a closure and all the staff members under PROPEIXE are made aware of the complaint, any underlying issues and plans to prevent any future recurrence of the issue.

The Formal GRM is a system by which queries or clarifications about the project will be responded to, problems with implementation will be resolved, and complaints and grievances will be addressed efficiently and effectively.

The GRM will serve the following purpose:

- to be responsive to the needs of beneficiaries and to address and resolve their grievances;
- to serve as a conduit for soliciting inquiries, inviting suggestions, and increasing community participation;
- to collect information that can be used to improve operational performance;
- to enhance the project's legitimacy among stakeholders;
- to promote transparency and accountability;
- to deter fraud and corruption and mitigate project risks.

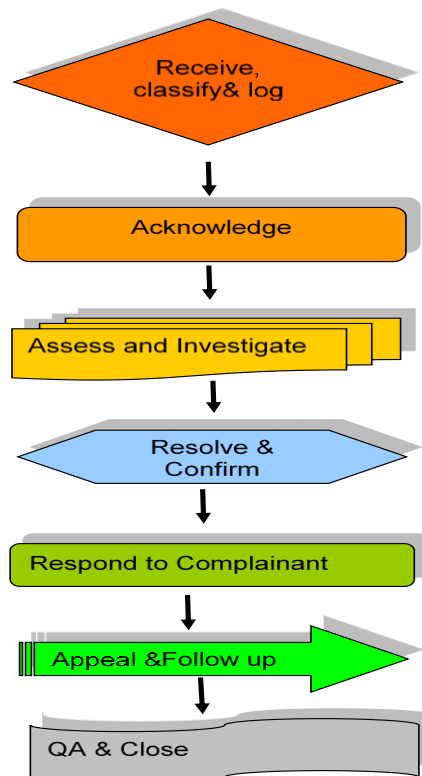
The structure of the Formal GRM consists of a small number of components as follows:

- The access point for impacted/concerned people
- Grievance log
- Acknowledgement stage
- Assessment stage
- Passing of resolution
- Response
- Room for appeal
- Case closure

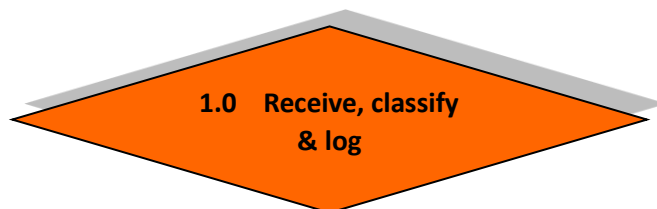
The components are summarized in the process flow diagram below.

### Process Overview

The following key steps must be followed for all complaints received by PROPEIXE PMU staff:



The requirements for each of these steps is detailed below:



**Summary**  
Ensure that all potential issues are captured and classified for escalation, review and action as required.

#### Receiving the Grievance:

The access points will be as close to the users as possible. An easily accessible and well publicized focal point or user-facing ‘help desk’ is the first step. This will be established at each sub-project, and MIMAIP offices so that it will be seen as credible and accessible. The main issues for the access point include the following:

Uptake channels should include some or all of the following: phone hotline, email, mail, SMS, webpage, or face-to-face.

- The uptake channels will be publicized and advertised via local media and the implementing agency.
- Verbal complaints should be recorded by staff for them to be considered.

- Many complaints may be resolved 'on the spot' and informally by the PMU staff but should also be logged in order to (i) encourage responsiveness; and (ii) ensure that repeated or low-level grievances are being noted in the system.
- The GRM should have the ability to handle anonymous complaints.

Typically, the complainant will be provided with a receipt and 'roadmap' telling him/her how the complaint process works and when to expect further information.

#### Logging and classifying:

Any complaint, issue or negative stakeholder interaction (whether this is formally logged by the complainant or not), must be logged and classified for action.

All of these complaints must be formally logged using the standard forms.

All complaints must be prioritised as follows:

- ✓ **Priority 1 – urgent**, potential high health and high business impact. **This require a response to the Complainant within three (3) working days.**
  - This should be used (sparingly) for major health issues where the complaint may have disastrous impacts on either human, the environment or the project itself.
  - Also, this could be used in a situation where the complainant may be in a position to influence or make public statements that would impact upon the project reputation.
- ✓ **Priority 2, - non-urgent**, lower health environmental and social impact. This requires a response to the complainant within 2 working weeks.
  - This should be used for most complaints with individual stakeholders, as this allows a reasonable time to collect information and produce a balanced response.
- Discretion and flexibility should be exercised in prioritising all complaints
- The staff member logging the complaint should review the complaint and its priority with the PMU Manager before proceeding to the next step.
- The PMU Manager will decide on the appropriate person(s) to carry out subsequent steps, including the investigation.
- **All Priority 1 complaints must be escalated immediately to the PMU Manager.**

## 2.0 Acknowledge

### Summary

Ensure that every complaint receives a formal written acknowledgement, containing an expectation of when they will receive a response, and the person dealing with it.

- All complaints, regardless of priority, should receive a pro forma acknowledgement sent out 1<sup>st</sup> class mail on the day of receipt.

## 3.0 Assess & Investigate

### Summary

Follow up all aspects of the complaint, both internal and external, to ensure that the key facts are identified and clarified.

- The priority of the complaint will drive the timescale for completion (3 days for urgent or 2 weeks for non-urgent).
- All areas of interaction and communication should be established (who, what, where, when, why etc.) and documented where possible.

## 4.0 Resolve & Confirm

### Summary

Ensure that the final resolution is clear and fair. Also confirm the proposed action and resolution with another senior person (PROPEIXE – PMU).

- Ensure that the proposed resolution meets corporate guidelines and does not prejudice the project in any unnecessary legal or financial manner.
- Document the proposed action and discuss and agree with the PMU Manager.
- Discuss and review the solution from both the corporate and complainant viewpoint to ensure fairness and clarity.
- The review should include recognition and documentation of any underlying issues that have contributed to the complaint and recommendations for actions to prevent further occurrence.
- This should then be reviewed as part of the bi-monthly quality assurance reviews.

## 5.0 Respond to Complainant

### Summary

Provide the Complainant with the resolution within the timescales promised.

- The details of the findings and proposed resolution should be clearly explained (in written or verbal form as appropriate) to the complainant- within the agreed timescales.
- If this cannot be done on time the Complainant should be contacted by telephone to request further time.

## 6.0 Appeal & Follow up

### Summary

Ensure that complaints are followed up to confirm that the complainants are satisfied with the response given. If not satisfied the Complainant is advised on the route for Appealing.

- All Priority 1 complaints and 95% of priority 2 complaints must be followed up within a reasonable timescale.
- This will be carried out by project administration team / PMU Manager's office.
- The follow-up should identify the following

- Is the complainant satisfied with the response?
- Did they feel that their complaint was properly and fairly handled?
- Any negative responses to these questions should be referred to PMU Manager for action and direct follow up with the complainant.
- The complainant is given room for appealing to the Ministry of Finance or Courts of Law, if he is not satisfied.

## 7.0 QA & Close

### Summary

Ensure that the PMU as a whole is aware of the complaints and any underlying issues. Plan actions to remove these and prevent future recurrence.

- All complaints should be reviewed monthly as part of the quality assurance review meetings.
- Any complaints where action can be taken to avoid recurrence must be acted upon and raised with the appropriate managers/teams across the project.

### Additional GRM Approaches

Besides the proposed GRM approach, aggrieved persons can also employ additional channels to air their complaints. These include the IFAD Accountability and Complaints Procedures and the GCF Procedures and Guidelines of the Independent Redress Mechanism as highlighted below.

#### i) IFAD Accountability and Complaints Procedures

The objective of the IFAD Complaints Procedure is to ensure that appropriate mechanisms are in place to allow individuals and communities to contact IFAD directly and file a complaint if they believe they are or might be adversely affected by an IFAD-funded project/programme not complying with IFAD's Social and Environmental Policies and mandatory aspects of SECAP.

Complaints must concern environmental, social and climate issues only and should not be accusations of fraudulent or corrupt activities in relation to project implementation – these are dealt with by IFAD's Office of Audit and Oversight.

To file a complaint for alleged non-compliance with IFAD's social and environmental policies and mandatory aspects of its SECAP, IFAD will consider only complaints meeting the following criteria:

- The complainants claim that IFAD has failed to apply its social and environmental policies and/or the mandatory provisions set out in SECAP.
- The complainants claim that they have been or will be adversely affected by IFAD's failure to apply these policies.
- Complaints must be put forward by at least two people who are both nationals of the country concerned and/or living in the project area. Complaints from foreign locations or anonymous complaints will not be taken into account.
- Complaints must concern projects/programmes currently under design or implementation. Complaints concerning closed projects, or those that are more than 95 per cent disbursed, will not be considered.

A complaint relating to non-compliance with IFAD's Social and Environmental Policies and mandatory aspects of its SECAP can be submitted by downloading the complaints form on the IFAD website or to send an email to [SECAP\\_complaints@ifad.org](mailto:SECAP_complaints@ifad.org). If you email or mail your complaint, please include the following information:

- Name, address, telephone number and other contact information

- Whether the complainants wish to keep their identity confidential, and if so, why
- Name, location, and nature of the IFAD project/programme (if known)
- How the Complainants believe they have been, or are likely to be, adversely affected by the IFAD-supported project or programme

Complaints sent by mail should be addressed to:

IFAD, SECAP Complaints (PMD), Via Paolo di Dono 44, 00142 Rome, Italy



## Annex 1: Environmental and Social Screening Form

### Ministry of Sea, Inland Waters and Fisheries (MIMAIP)

#### ENVIRONMENTAL AND SOCIAL SCREENING FORM

FOR

#### SCREENING OF POTENTIAL ENVIRONMENTAL AND SOCIAL IMPACTS OF

#### *Artisanal Fisheries Resilient Development Project (PROPEIXE)*

(Guidelines: Site inspection of project site. The evaluation results to be a consensus of at least three officials)

<b>Project Name:</b>	<b>District:</b>
<b>Project Location/:</b>	<b>Name of Catchment</b>
<b>Name of Community:</b>	<b>Nature/Size:</b>
<b>Name, Signature &amp; Designation of Evaluator(s):</b> 1..... 2.....	<b>Date of Field Evaluation:</b>
	<b>Sector</b>

		Appraisal		Significance			Potential Mitigation Measures
		Yes	No	Low	medium	high	
<b>1.0</b>	<b>Environmental and Social Screening</b>						
	Will the project generate the following negative impacts						
1.1	Loss of trees/vegetation						
1.2	Soil erosion/siltation in the area						
1.3	Pollution to land- e.g. from diesel, oils						
1.4	Dust emissions						
1.5	Solid and liquid wastes e.g. open defecation						
1.6	Spread of HIV/Aids and other STI						
1.7	Borrow pits and pools of stagnant water						
1.8	Rubble/heaps of excavated soils						
1.9	Alien / Invasive species						
1.10	Spread of water borne diseases e.g. Malaria						
1.11	Loss of soil fertility						
1.12	Contamination from agrochemicals and pesticides						
1.13	Nuisance from smell or noise						
1.14	Reduced water quality and quantity						
1.15	Incidence of flooding						
1.16	Disruption of marriages						

1.17	Health hazards to workers and communities						
1.18	Removal of native trees						
<b>2.0</b>	<b>Resettlement Screening</b>						
	Will the project generate the following negative social and economic impacts?						
2.1	Loss of land by households						
2.2	Loss of properties –houses, structures						
2.3	Loss of trees by households						
2.4	Loss of crops by people						
2.5	Loss of access to river/forests/grazing area						
2.6	Loss of cultural site, graveyard land						
2.7	Conflicts over use of local water resources						
2.8	Disruption of important pathways, roads						
2.9	Loss communal facilities –churches						

**Consultation** (comments from beneficiaries)

**Overall evaluation of Environmental and Resettlement Screening Exercises.**

The results of the screening process would be either the proposed sub - projects would be exempted or subjected to further environmental and resettlement assessment. The basis of these options is listed in the table below:

<b>Review of Environmental Screening</b>	<b>Tick</b>	<b>Review of Resettlement Screening</b>	<b>Tick</b>
1. The project is cleared. No serious impacts. <i>(When all scores are “No” in form)</i>		1. The project is cleared. No serious social impact. <i>(Where scores are all “No”, “few” in form)</i>	
2. There is need for further assessment. <i>(when some scores are “Yes, High” in form)</i>		2. There is need for resettlement/compensation. <i>(When some scores are “Yes, High” in form)</i>	
3. Need to prepare ESCMP		3. Need to prepare RAP	

<b>Endorsement by Environmental District Officer</b>		<b>Endorsement by Director of Planning and Development</b>	
Name		Name:	
Signature:	Date	Signature:	Date:

**NOTES:**

1. The sub-project management shall ensure that a completed form is filed within project file immediately after endorsement. MITA and should keep a duplicate.
2. Project Management Unit will maintain a copy of completed form

## Annex 2: Climate Risk Screening

ID	Guiding questions	Yes/No	Comment
1	Is the project area subject to extreme climatic events, such as flooding, drought, tropical storms or heat waves?	No	
2	Do climate scenarios for the project area foresee changes in temperature, rainfall or extreme weather that will adversely affect the project impact, sustainability or cost over its lifetime?	No	
3	Would the project make investments in low-lying coastal areas/zones exposed to tropical storms?	No	
4	Would the project make investments in glacial areas and mountains zones?	No	
5	Would the project promote agricultural activity in marginal and/or highly degraded areas that have increased sensitivity to climatic events (such as on hillsides, deforested slopes or floodplains)?	No	
6	Is the project located in areas where rural development projects have experienced significant weather-related losses and damages in the past?	Yes	
7	Would the project develop/install infrastructure in areas with a record of accomplishment of extreme weather events?	No	
8	Is the project target group entirely dependent on natural resources (such as seasonal crops, rain fed agricultural plots, migratory fish stocks) that have been affected by in the last decade by climate trends or specific climatic events?	No	
9	Would climate variability likely affect agricultural productivity (crops/livestock/fisheries), access to markets and/or the associated incidence of pests and diseases for the project target groups?	Yes	
10	Would weather-related risks or climatic extremes likely adversely affect upon key stages of identified value chains in the project (from production to markets)?	Yes	
11	Is the project investing in climate-sensitive livelihoods that are diversified?	No	

12	Is the project investing in infrastructure that is exposed to infrequent extreme weather events?	No	
13	Is the project investing in institutional development and capacity-building for rural institutions (such as farmer groups, cooperatives) in climatically heterogeneous areas?	Yes	
14	Does the project have the potential to become more resilient through the adoption of green technologies at a reasonable cost?	Yes	
15	Does the project intervention have opportunities to strengthen indigenous climate risk management capabilities?	Yes	
16	Does the project have opportunities to integrate climate resilience aspects through policy dialogue to improve agricultural sector strategies and policies?	Yes	
17	Does the project have potential to integrate climate resilience measures without extensive additional costs (e.g. improved building codes, capacity-building or including climate risk issues in policy processes)?	Yes	
18	Based on the information available would the project benefit from a more thorough accounting of GHG emission?	Yes	
<b>Guidance on Climate Risk category</b>			
<b>High Risk:</b> A “Yes” response to any of the questions 1 to 7, where a detailed or in-depth climate risk analysis study is required.			
<b>Moderate Risk:</b> A “Yes” response to any of the questions 8 to 17, where a basic analysis is required on how to incorporate mitigation actions.			
<b>Low Risk:</b> A “No” response to almost all questions. No further analysis is required, but voluntary mitigative measures can be incorporated.			

## **Annex 3: Environmental and Social Guidelines for Contractors**

The guidelines:

- covers provisions for proper management of construction sites, safe storage of construction materials and safe disposal of wastes.
- Will be included in the bidding documents and eventually be part of the contract document.

### **General Considerations**

- The contractor in all his activities ensure maximum protection of the environment and the socio-economic wellbeing of the people affected by the project, whether within or outside the physical boundaries of the project area.
- Before any construction works begin, the contractor shall ensure that the relevant environmental and land acquisition certificates of authorization for the works have been obtained from the relevant authorities
- In general, the contractor should become familiar with the environmental and social screening process for this project. The contractor shall work in cooperation and in coordination with the Project Management Team and/or any other authority appointed to perform or to ensure that the social and environmental work is performed according to the provisions of the safeguards documents.
- The contractor shall pay close attention to health and safety requirements for workers who must wear protective clothing if required. The artisan should also ensure the health and safety of the community adjoining any construction areas.
- In case of a chance finds of archaeological materials the contractor must adhere to the chance-find procedures, which will also be part of the contract.
- The contractor shall always keep on site and make available to Inspectors or any authorized persons, copies of the ESCMPs, GRM, and TAA etc, for the monitoring and evaluation of environmental and social impacts and the level or progress of their mitigation.
- The contractor shall ensure that construction materials such as sand, quarry stone, soils or any other construction materials are acquired from approved suppliers and that the production of these materials by the suppliers or the contractor does not violate the environmental regulations or procedures. The contractor will restore any extraction sites prior to completing works. Site restoration is considered as part of works.
- The movement and transportation of construction materials to and within the construction sites shall be done in a manner that generates minimum impacts on the environment and on the community, as required by the ESCMP.
- Construction materials shall be stored in a manner to ensure that:
  - There is no obstruction of service roads, passages, driveways, and footpaths.
  - Where it is unavoidable to obstruct any of the service paths, the contractor shall provide temporary or alternate by-passes without inconveniencing the flow of traffic or pedestrians.
  - There is no obstruction of drainage channels and natural water courses.
  - There is no contamination of surface water, ground water or the ground.
  - There is no access by public or unauthorized persons, to materials and equipment storage areas.
  - There is no access by staff, without appropriate protective clothing, to materials and equipment storage areas.

- Access by public or unauthorized persons, to hazardous, corrosive, or poisonous substances including asbestos lagging, sludge, chemicals, solvents, oils or their receptacles such as boxes, drums, sacks and bags is prohibited.
- Access by staff, without the appropriate protective clothing, to hazardous, corrosive, or poisonous substances including asbestos lagging, sludge, chemicals, solvents, oils or their receptacles such as boxes, drums, sacks and bags is prohibited.
- Construction waste includes but is not limited to combustion products, dust, metals, rubble, timber, water, wastewater, and oil. Hence construction waste constitutes solid, liquid, and gaseous waste and smoke.
- In performing his activities, the contractor shall use the best practical means for preventing emissions of noxious or offensive substances into the air, land, and water. He shall make every effort to render any such emissions (if unavoidable) inoffensive and harmless to people and the environment. The means to be used for making the emissions harmless or for preventing the emissions shall be in accordance with the ESCMPs and with the approval of the relevant Local Authority or MITA.
- The contractor shall comply with the regulations for disposal of construction/demolition wastes, wastewater, combustion products, dust, metals, rubble, and timber. Wastewater treatment and discharge will conform to the applicable regulations by the relevant guidelines.
- Asbestos wastes, PCBs and other hazardous wastes shall be treated and disposed of in conformity with the national regulations and IFAD standards where applicable, with the supervision of qualified personnel.
- The contractor shall protect the health and safety of workers by providing the necessary and approved protective clothing (to include at a minimum safety boots (with steel toe cap), hard hat and high visibility vest. Eye and ear protection will be required if operating power tools and dust masks if mixing concrete on site) and by instituting procedures and practices that protect the workers from dangerous operations. The contractor shall be guided by and shall adhere to the relevant national Labour Regulations for the protection of workers. Appropriate information and awareness on HIV/AIDS shall be conducted at each construction site.

## **Annex 4: Guideline for the preparation of site specific ESCMP**

ESCMs should demonstrate that proposed environmental and social management and monitoring activities will encompass all major impacts and how they will be integrated into supervision. The ESCMP should also describe proposed measures, methods, and actions to facilitate public consultation. It is important that the ESCMP identify linkages to other social and environmental safeguards plans relating to the proposed project activities such as plans dealing with resettlement issues. ESCMPs should be finalized and approved after taking into account comments from Department of Environment. The IFAD safeguards team will review and provide comments on draft site-specific instruments (if required) and monitor the safeguards compliance. Given below are the important elements that constitute an ESCMP:

- i) **Description of the subproject:** Scale nature and type of proposed project activity implemented under the proposed programs are summarized.
- ii) **Description of Proposed project area:** The Biophysical and social environmental setting of the specific Proposed project activity are summarized
- iii) **Impacts:** Predicted adverse environmental and social impacts (and any uncertainties about their effects) for which mitigation is necessary should be identified and summarized.
- iv) **Description of Mitigation Measures:** Each measure should be briefly described in relation to the impact(s) and conditions under which it is required. These should be accompanied by and/or referenced to designs, development activities, operating procedures, and implementation responsibilities. Proposed measures and actions to facilitate public consultations should be clearly described and justified. Feasible and cost-effective measures to minimize adverse impacts to acceptable levels should be specified with reference to each impact identified. Further, the ESCMP should provide details on the conditions under which the mitigation measure should be implemented. The ESMP should also indicate the various practicable measures applicable to the proposed project activity at each project phases (design, construction and/or operation). Efforts should also be made to mainstream environmental aspects wherever possible.
- v) **Description of monitoring program:** The ESCMP identifies monitoring objectives and specifies the type of monitoring required; it also describes performance indicators which provide linkages between impacts and mitigation measures identified in the ESA report, parameters to be measured (for example: national standards, extent of impacted area to be considered, etc.), methods to be used, sampling location and frequency of measurements, and definition of thresholds to signal the need for corrective actions. Monitoring and supervision arrangements should be agreed by IFAD and the client to ensure timely detection of conditions requiring remedial measures in keeping with best practice; provide information and the progress and results of mitigation and institutional strengthening measures; and, assess compliance with National and IFAD environmental safeguard policies
- vi) **Institutional arrangements:** Institutions responsible for implementing mitigation measures and for monitoring their performance should be clearly identified. Where necessary, mechanisms for institutional coordination should be identified, as often, monitoring tends to involve more than one institution. This is especially important for requiring cross-sectoral integration. In particular, the ESCMP specifies who is responsible for undertaking the mitigation and monitoring measures, e.g., for enforcement of remedial actions, monitoring of implementation, training, financing, and reporting. Institutional arrangements should also be crafted to maintain support for agreed enforcement measures for environmental protection. Where necessary, the ESCMP should propose strengthening the relevant agencies through such actions as establishment of appropriate organizational arrangements; appointment of key staff and consultants.

- vii) **Implementing schedules:** The timing, frequency and duration of mitigation measures and monitoring should be included in an implementation schedule, showing phasing and coordination with procedures in the overall implementation/operations manual. Linkages should be specified where implementation of mitigation measures is tied to institutional strengthening and to the legal agreements.
- viii) **Reporting procedures:** Feedback mechanisms to inform the relevant parties on the progress and effectiveness of the mitigation measures and monitoring itself should be specified. Guidelines on the type of information required and the presentation of feedback information should also be highlighted.
- ix) **Cost estimates and sources of funds:** Implementation of mitigation measures mentioned in the ESCMP will involve an initial investment cost as well as recurrent costs. The ESCMP should include cost estimates into the design, bidding and contract documents to ensure that the contractors will comply with the mitigation measures. The costs for implementing the ESCMP will be included in the design, as well as in the bidding and contract documents. It is important to capture all costs – including administrative, design and consultancy, and operational and maintenance costs – resulting from meeting required standards or modifying design.

For each potential impacts of the proposed project activity, corresponding mitigation measures, and who is responsible for implementation is indicated. For each potential environmental and social impact, there can be more than one mitigation measure. Responsibility for implementation of mitigation measures will typically rest with the contractor or beneficiary during construction and operation of the proposed activities.

The monitoring section of the ESCMP prescribes indicators for monitoring the environmental and social impact and the effects of mitigation measures. The responsibility for this will typically rest with the PMU in collaboration with the respective pertinent institutions. A template for ESCMP is depicted in below.



**Environmental and Social Management Plan Template for the proposed project activities**

<b>Identification:</b>					
<b>Name</b>					
<b>Region</b>		<b>District</b>		<b>EPA</b>	
<b>Section/Village</b>		<b>Location GPS coordinates</b>			

<b>Description of the Proposed project activity:</b>
<b>Description of potential environmental and social impacts;</b>
<b>Description of planned mitigation measures and monitoring along with institutional responsibilities and capacity/training requirements</b>

<b>Environmental, Social and Climate Management Plan-Mitigation</b>					
<b>Project Phase</b>	<b>Project activity</b>	<b>Environmental Impacts</b>	<b>Mitigation/ enhancement measures</b>	<b>Institutional responsibilities</b>	<b>Cost</b>
Planning					
Operation and maintenance					
<b>Total mitigation costs</b>					

<b>Environmental, Social and Climate Management Plan-Monitoring</b>							
<b>Project Phase</b>	<b>Mitigation measures</b>	<b>Parameters to be monitored</b>	<b>location</b>	<b>measurements</b>	<b>frequency</b>	<b>Institutional responsibilities</b>	<b>Cost</b>
Planning Activities							
Operation and maintenance/ activities							
<b>Total monitoring costs</b>							

## Annex 5: Sample Terms of Reference (ToR) for ESIA Preparation

Based on the screening and scoping results, ESIA terms of reference will be prepared. The terms of reference will have the following contents. *Please refer to the Guideline Series Documents for Reviewing Environmental Impacts Study Reports (EPA, 2003) for detail information on contents and descriptions of ESIA report (EPA, 2003).*

- I. **Objective of the TOR:** This section should state the scope of the ESIA in relation to the screening category and the proposed program activities. It needs to stipulate the process and the timing of the ESIA preparation and implementation stages in order to adequately address the safeguards requirements of the GoM and the IFAD.
- II. **Introduction and Context:** The ToR needs to provide information on program activity objective, the name of the program activity proponent, the rationale for conducting the ESIA, specific components of the program activity, program activity area with location map, short briefing of social and environment of settings and applicable national and international safeguard policies.
- III. **Location of the study area and likely major impacts:** State the area involved and the boundaries of the study area for the assessment. Identify adjacent or remote areas which should be considered with respect to impacts of particular aspects of the program activity.
- IV. **Mission/Tasks:** The ESIA study team/consultant should clearly execute the following tasks.

**Task A: Description of the proposed program activity:** Describe the location, size and nature of the program activity, environmental assessment category, brief description of program activity alternatives, time schedule for phasing of development (i.e. preconstruction, construction, operation/maintenance, decommissioning), and resources (finance, human, material and technology) required for the program activity, among others.

**Task B: Baseline information/Biophysical and social-economic description:** Describe the baseline/biophysical and socio-economic characteristics of the environment where the program activity will be implemented; and area of influence. Include information on any changes anticipated before the program activity commences.

**Task C: Administrative and legal Policy framework:** In addition to the required administrative and institutional setup for the implementation of the program activity, this part needs to identify pertinent policies, regulations and guidelines pertinent to the study that include:

- ✓ National laws and/or regulations on environmental and social assessments;
- ✓ Regional environmental and social assessment regulations;
- ✓ Environmental and social assessment regulations of any other financing organizations involved in the program activity;
- ✓ Relevant international environmental and social agreements/conventions to which Ethiopia is a party; and,
- ✓ IFAD safeguards policies.

**Task D: Identification of potential impacts of the program activity:** Identify all potential significant impacts that the program activity is likely to generate. Assess the impacts from changes brought about by the program activity on baseline environmental conditions as described under Task B. The analysis should address both the positive and negative impacts of the program activity. Wherever possible, describe impacts quantitatively, in terms of environmental and social costs and benefits.

**Task E: Propose Program activity alternatives:** Alternatives extend to site, design, technology selection, construction techniques and phasing, and operating and maintenance procedures. Compare alternatives in terms of potential environmental and social impacts; capital and

operating costs; suitability under local conditions; and institutional, training, and monitoring requirements.

**Task F: Preparation of an Environmental and Social Management Plan (ESMP):** Describe the mitigation measures for adverse environmental and social impacts, staffing/institutional and training requirements, schedules, and other necessary support services to implement the mitigating measures. Provide environmental and social protection clauses for application by contractors and consultants, if any. The ToR should state that the concerned and affected parties should agree on the proposed mitigating measures before they are included in the ESMP.

**Task G: Monitoring Plan:** This organizes a comprehensive plan to monitor the implementation of mitigating measures and the impacts of the program activities. It should also address an estimate of capital and operating costs and a description of other inputs (such as training and institutional strengthening) needed to implement the plan.

**V. Qualification of the ESIA study team/Consultant:** The ToR should provide clear guidance on the qualification of the ESIA study team.

**VI. Duration of the ESIA Study:** This should be determined according to the type of the program activity.

**VII. Preparation of the final Report:** The ESIA study team/consultant will produce the final report one week after receiving comments from program activity proponent and concerned stakeholders. The final report will include comments from these institutions.

**VIII. Suggested Contents of the ESIA Report:** Please refer to the “Guideline Series Documents for Reviewing Environmental Impacts Study Reports” (EPA, 2003) to get detail information on the contents of ESIA report (EPA, 2003). The contents of the ESIA report should contain the following elements.

- Executive Summary;
- Introduction;
- Methodology;
- Administrative, legal and policy requirements;
- Description of program activity (need, objectives, technical details, size, location input and other relevant requirements);
- An outline of the main development alternatives;
- Description of baseline information/environmental and socio-economic conditions;
- An account of the prediction and assessment of each impact at all stages of the program activity cycle for each alternative;
- Description of the methodology and techniques used in assessment and analysis of the program activity impacts;
- Description of environmental and social impacts for program activity;
- Environmental and Social Management Plan (ESMP) for the project including the proposed mitigation measures;
- Institutional responsibilities for monitoring and implementation; Summarized table for ESMP;
- Conclusions and recommendations;
- References; and,
- Appendixes:
  - ✓ List of Persons/Institutions met;
  - ✓ List of the ESIA study team members; and,
  - ✓ Minutes of consultations.

## **Annex 6: Guidelines for Annual Reviews and Annual Audits**

**Objectives:** The objectives of annual reviews and annual audits of the ESCMP implementation are two-fold:

- a) *To assess Project performance in complying with ESCMP procedures, learn lessons, and improve future performance; and*
- b) *To assess the occurrence of, and potential for, cumulative impacts due to PROPEIXE-funded and other development activities.*

The annual reviews and annual audits are intended to be used by PROPEIXE management to improve procedures and capacity for integrating natural resources and environmental/social management into project operations. They will also be a principal source of information to IFAD supervision missions.

Audits will be done bi-annually whilst reviews will be done annually after every annual report is produced

An audit is different from a review. In a review, the auditor conducts analytical procedures and makes inquiries to ascertain whether the information contained within the annual report is correct. The result is a limited level of assurance that the annual report being presented does not require any material modifications. In an audit, the auditor must corroborate the information in the annual report. This calls for a thorough examination of all the documentation leading to the annual report, Confirmations from beneficiaries, physical inspections of sub-projects and other procedures as needed.

Thus, the audit gives a higher level of assurance that the annual report is fairly presented. An audit also requires a significant amount of time and effort to complete and thus audits are much more expensive than reviews.

**The following is an outline of the scope of work and impacts of these audits. Note that if it is an audit, more detailed work will be needed but if it is a review, information provided in the annual reports will be sufficient:**

### **Scope of Work:** *ESCMP Performance Assessment*

The overall scope of the performance assessment work is to:

- a) Assess the adequacy of the sub-project approval process and procedures based on interviews with project participants, project records, and the environmental and social performance of a sample of approved sub-projects.
- b) Assess the adequacy of ESCMP roles and responsibilities, procedures, forms, information resource materials, etc.

- c) Assess the needs for further training and capacity building.
- d) Identify key risks to the environmental and social sustainability of sub-projects; and
- e) Recommend appropriate measures for improving ESCMP performance.

The following tasks will be typical:

- a) Review district records of sub-projects preparation and approval (e.g., applications; screening checklists; site specific ESCMPs, appraisal forms; approval documents), monitoring reports as well as related studies or reports on wider issues of natural resources and environmental management in the country.
- b) On the basis of this review, conduct field visits of a sample of approved sub-projects to assess the completeness of planning and implementation work, the adequacy of environmental/social design, and compliance with proposed mitigation measures. The sample should be large enough to be representative and include a substantial proportion of sub-projects that had (or should have had) a field appraisal according to established ESCMP criteria. Sub-projects in sensitive natural or social environments should especially be included.
- c) Interview project and district officials responsible for sub-projects appraisal and approval to determine their experience with ESCMP implementation, their views on the strengths and weaknesses of the ESCMP process, and what should be done to improve performance. Improvements may concern, for example, the process itself, the available tools (e.g., guidelines, forms, and information sheets), the extent and kind of training available, and the number of financial resources available.
- d) Develop recommendations for improving ESCMP performance.

### **Cumulative Impacts Assessment**

This part of the annual review or annual audit assesses the actual or potential cumulative impacts of sub-projects with other sub-projects or development initiatives on the environment, natural resources, and community groups. Cumulative impacts result from several individual small-scale activities that, on their own, have minimal impacts, but over time and in combination generate a significant impact. For example:

- \* Decline in groundwater levels or quality due to the construction of numerous wells and the introduction of numerous small-scale irrigations works.
- \* Overwhelmed or illegal waste and dumping sites due to the inappropriate disposal of increasing amounts of waste materials.

The function of this assessment is primarily as an "early warning" system for potential cumulative impacts that might otherwise go undetected and unattended to. It will be largely based on the observations of people interviewed during the field work, and trends that may be noticed by district or regional officials. Where cumulative impacts are detected or suspected, recommendations will be

made to address the issue, perhaps through more detailed study to clarify matters and what should or can be done about them.

**Qualifications for Undertaking Annual Reviews:**

The reviews and annual audits should be undertaken by an individual or small team with training and experience relevant to the likely issues to be encountered (e.g., environmental, and natural resources management and land acquisition and resettlement). They should also be familiar with the methods and practices of effective community consultation, and with typical methods and processes for preparing, appraising, approving, and implementing small-scale community development projects.

**Timing:**

Annual reviews and annual audits should be undertaken after the annual monitoring report has been prepared and before IFAD supervision of the project, at the closing of each year of the project. It is expected that each review would require 3-4 weeks of field work (interviews, examination of sub-projects), and that the review report would be completed within 2 weeks of completing the field work.

**Outputs:**

The principal output is an **annual review or audit report** that documents the review methodology, summarizes the results, and provides practical recommendations. Distinct sections should address a) ESCMP performance and b) cumulative impacts. Annexes should provide the detailed results of the field work and summarize the number of approved sub-projects by district and their characteristics according to the annual report format (see Annex 5). Copies of the annual review report should be delivered to IDEPA and PROPEIXE Technical Committee, for appraisal, approval, and implementation of sub-projects, and to IFAD. The Technical Review Panel may also want to host national or Sub-national workshops to review and discuss the review findings and recommendations.

## Annex 7: GUIDELINES FOR ANNUAL REPORT

Name of the Project: PROPEIXE

Application Number:

1. Name of District or Local Government:
2. Name and Position of Review Authority Completing the Annual Report:
3. Reporting Year:
4. Date of Report:
5. Community Sub-project (s):

Please enter the numbers of sub-projects in the following table.

Types of Activities	Approved this year	Application included an ESMP checklist	Field Appraisal	Mangrove Management	Water Quality analysis and monitoring	Stakeholder Engagement	Catchment management	Specific TA
Water point rehabilitation								
Earth dam rehabilitation								
Community reservoirs								
Small dams								
Tertiary/secondary roads								
Tertiary/secondary road culverts/bridges								
Footpaths								

Types of Activities	Approved this year	Application included an ESMP checklist	Field Appraisal	Mangrove Management	Water Quality analysis and monitoring	Stakeholder Engagement	Catchment management	Specific TA
<b>Fisheries and markets</b>								
Terracing								
Fish-processing facilities								
Post-harvest handling facilities								
Market places								
<b>Natural resources management</b>								
Anti-erosion interventions and vegetation restoration								
Catchment, Stream, and riverbank protection								

6. Were there any **unforeseen environmental or social problems** associated with any sub-project approved and implemented this year? If so, please identify the sub-project (s) and summarize the problem (s) and what was or will be done to solve the problem (s). Use a summary table like the one below.

Sub-project	Problem(s)	Actions taken	Actions to be taken

7. Have any **other environmental or social analyses** been carried out by other public or private agencies in your district/province? If so, please describe them briefly.

.....

.....

.....



8. Have you noticed any problems **with implementing the ESMP** in the past year (e.g., administrative, communications, forms, capacity)? If so, please describe them briefly.

.....

.....

.....

9. **Training:** Please summarize the training received in your district/province in the past year, as well as key areas of further training you think is needed.

Group	Training Received	Training Needed
Review Authority		
Approval Authority		
Extension Teams		
NGOs/Associations		

## **Mozambique**

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### **Artisanal Fisheries Resilient Development Project**

### **Project Design Report**

### **Annex: Annex 5.2 - Annex 5.2 - ESCMF Vol 2 - Targeted Adaptation Assessment**

Mission Dates: 22 May – 09 June

Document Date: 25/10/2023

Project No. 2000004008

Report No. 6599-MZ

East and Southern Africa Division  
Programme Management Department





**GOVERNMENT OF MOZAMBIQUE**

**Artisanal Fisheries Resilient Development Project  
(PROPEIXE)**



**VOLUME II**

**TARGETED ADAPTATION ASSESSMENT (TAA)**

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## Overview

This Targeted Adaptation Assessment (TAA) was prepared for the Artisanal Fisheries Resilience Development Project (PROPEIXE) as part of the broader Environmental, Social and Climate Management Framework (ESCMF) developed for the Government of Mozambique (GoM) with support from IFAD.

PROPEIXE was screened as **Substantial** risk in the climate screening procedure and therefore, a Targeted Adaptation Assessment was triggered. Mozambique is highly vulnerable to climate change impacts and the vulnerability will have significant negative impacts on incomes, food security and the livelihoods of artisanal fisheries. It is imperative for PROPEIXE at all levels to have mitigation and adaptation measures in place in order to reduce vulnerability and manage the various climate-related risks.

For all *Substantial* climate risk classified projects, a Targeted Adaptation Assessment (TAA) is required in order to identify measures for reducing and/or managing risks and impacts and to ensure that measures are implemented. Based on this analysis, risk management and adaptation measures can be established and integrated into the project design in order to manage weather and climate related risks identified through the screening exercise. These may include technical innovations, capacity-building, awareness outreach, data gathering, monitoring and information management. They can also include on and off-farm diversification strategies, and risk-transfer solutions such as insurance.

The TAA was prepared to provide guidance for sub-projects which will be required to develop specific assessments during implementation. MIMAIP through the Environmental, Social and Climate Safeguards Specialists at national, provincial and district level will be responsible for the revision or updates of this TAA document during the course of the project. 4Ps NGOs, field officers and contractors will be responsible for implementation and monitoring of the TAA including daily administrative, climate checks and records with periodic audits the implementing ministry.

## 1 Description of the Programme

### Introduction

The Government of Mozambique (GoM) with support from IFAD, is preparing the Artisanal Fisheries Resilience Development Project (PROPEIXE) which will support artisanal fisheries by enhancing community co-management, conservation and restoration of ecosystems and biodiversity. The project will be implemented in selected fishing communities across five provinces of Mozambique and will be designed to be gender transformative, nutrition sensitive and climate focused. The Ministry of Sea, Inland Waters and Fisheries (MIMAIP) will be responsible for coordination and operational management with fiduciary and safeguard responsibilities. The total cost of PROPEIXE is estimated at US\$60 million over a seven-year period.

### Project Description

The PROPEIXE goal is to sustainably increase the incomes, nutrition and food security by addressing the main barriers to sustainable production and marketing for artisanal fisheries. The Project Development Objective (PDO) will be to “increase the sustainability of fishery value chain returns, by promoting responsible fisheries, community conservation and restoration of ecosystems and biodiversity, while also supporting fishery community resilience through diversification of livelihoods”.

PROPEIXE will aim to achieve the impacts of sustainably increased incomes, nutrition and food security by addressing the main barriers to production and marketing for artisanal fishers. These are but not

limited to limited access to support services and infrastructure, inadequate equipment for production, processing and conservation, weak mechanism for sustainable management, outdated fleet, vulnerability to climatic shocks, remote location of fishing zones, poor roads, poor market linkages and difficulties in accessing financial and insurance services.

The project will address these barriers through support to production, in the form of upgraded fishing equipment, technology and infrastructure. The project will support enterprise development and formation of mutually beneficial Public-Private-Producer Partnerships (4Ps) as a way of supporting the profitable sale of increased production. The 4Ps will also create backwards linkages to further support production as well as construction of markets and market-linking climate smart and climate resilient infrastructure. PROPEIXE will also promote livelihood diversification, climate insurance, and the use of renewable energy. The project objective will be met through three interlinked components as follows;

### **Component 1: Resilient Artisanal Fisheries and Ecosystem Management**

The outcome will be increased resilience of the artisanal fishery, through two main proposed outputs:

### **Component 2: Inclusive Fisheries Climate Resilient Value Chain Development and Livelihood Diversification**

The outcome is improved economic resilience and profitability of artisanal fisheries and local livelihoods.

### **Component 3: Institutional strengthening, project management and policy initiatives**

The outcome will be improved public sector support for the long-term sustainable development of the artisanal fishery sector.

### **Targeting**

The artisanal fisheries interventions will cover fishing communities along the coastline, targeting mainly households who are poor and on the fringes of the market economy, with high vulnerability due to the impact of climate change. The main target group consists of small-scale fishers engaged in artisanal fishery (production level) and other sector along the value chain (e.g., processing, marketing and service provision) deriving most of their income from fish production and post-production at different scale, from subsistence to market oriented. The project will also target community organizations and businesses including transformation drivers. In addition, the project will have a focus to target specific vulnerable groups such as women, youth, Persons with Disability (PwD) and Internally Displaced People (IDPs) in the Northern Provinces.

The geographic area covers five provinces: Inhambane, Sofala, Zambézia, Nampula and Cabo Delgado and a total number of 21 districts. The provinces, districts, and fishing growth poles have been selected based on the following criteria: (i) conditions and potential of fishing resources (including data on number of fishers; percentage of production; number of boats and gears)<sup>1</sup>; (ii) socio-economic (poverty and food insecurity rates)<sup>2</sup>; (iii) Habitats diversity and environmental challenges (highly affected ecosystems); (iv) areas most affected by climatic shocks<sup>3</sup>. Other elements taken into account were proximity for project implementation and presence of other interventions to create synergies and maximize the impact

Operating in the North of Mozambique will require constant monitoring of the security situation. At the start of implementation, the accessibility to the districts and the security situation will be reviewed

<sup>1</sup> Preliminary fishery artisanal census results (IDEPA).

<sup>2</sup> Data from the statistic institute INE (last available 2016) and IPC publication (2022);

<sup>3</sup> On the basis of data and information (quantitative and qualitative) a ranking exercise has been conducted during the design process to properly weight variables and identify priority districts for project intervention.

by implementing partners in collaboration with UNSS and relevant agencies to make the final determination of the project area.

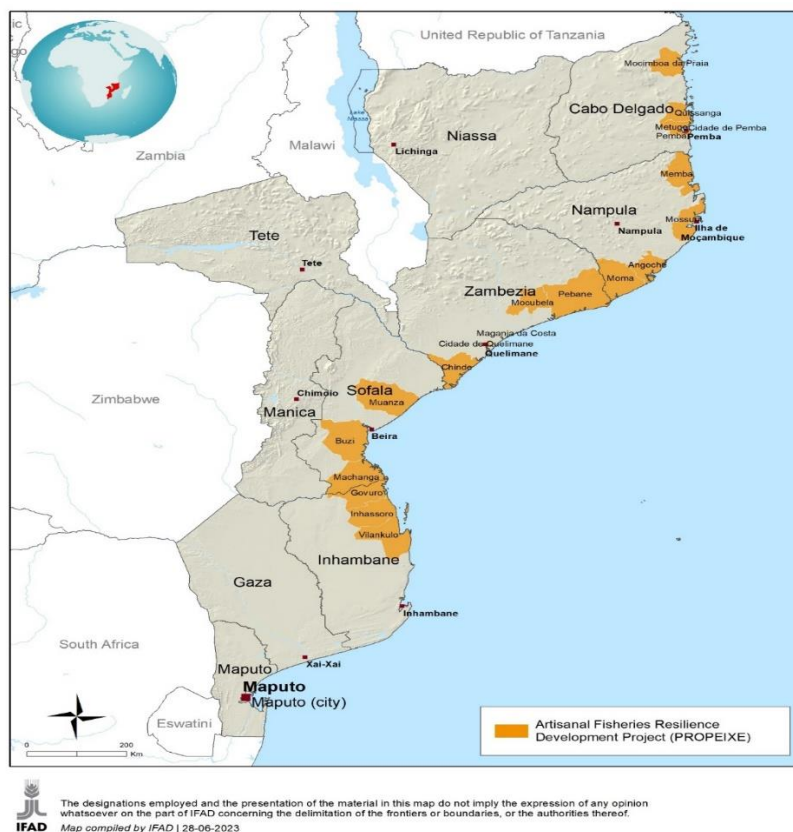


Figure 1: Map of the Project Area

## Institutional Arrangements

The Ministry of Sea, Inland Waters and Fisheries (MIMAIP) is the organ of the Government responsible for the fisheries sector. As such, it will be responsible for policy and legislative initiatives, for promoting any institutional adjustments in the fisheries administration and for overseeing the project. Nevertheless, the coordination and management of the project will be delegated to the IDEPA which will assign to a Project Management Unit (PMU) the responsibilities of programming, budgeting, and allocation of resources, monitoring and providing information for the evaluation of the project. The central departments of IDEPA will need to ensure that the project implementation reflects the objectives defined by the Government for the sector. The implementation will be carried out in conjunction with the IDEPA's provincial delegations in the provinces where the activities take place. In addition, the MIMAIP will coordinate with other government agencies that participate in the implementation of the project.

The PMU will be established and composed of the following key positions: Project Coordinator, Financial Manager, Procurement Officer, M&E Officer, Social Inclusion Officer and KM Officer. The PMU will also include the assistants, and support staff (administrative assistant and drivers). Apart from these officers, a team of four technical specialists and INFRAPESCA, composed by the following positions: Environment and Climate Change Technical Specialist, and Fisheries Technology Specialist, VC and Marketing Specialist, that will be incorporated in the different IDEPA Departments, and Rural Infrastructure Technical Specialist, to be based in INFRAPESCA. This technical team will combine support for implementation of project activities with training/capacity building for the different IDEPA departments and INFRAPESCA.



To facilitate PROPEIXE's effective management and coordination across the provinces, the project will use the existing capacity of the IDEPA, ADNAP, INAMAR, INIP and InOM provincial delegations to reach out to district level and local beneficiaries. The PMU will be responsible for the day-to-day management and supervision of the project, under the leadership of a Project Coordinator.

A Project Steering Committee (PSC) will be established to provide the oversight function chaired by the Permanent Secretary of the Ministry of Sea, Inland Waters and Fisheries and composed of members from institutions with direct relevance for the achievement of PROPEIXE objectives within MIMAIP and other sectors (e.g., MEF, MOPHRH, MIREME, MTC, MTA, etc.) and representatives of the fishermen/women (CCPs), and the private sector (CTA). Provincial PSCs (PPSCs) will be established; they will be led by the Provincial Governor and their composition and tasks will mirror those of the PSC.

In addition to these institutions, the project has partnerships with institutions from other sectors of the state administration, which play an important role in the pursuit of the project's objectives: (i) ANE for the implementation of road rehabilitation activities that connect the centers of fishing to the remaining district network from which they connect with the destination markets for fishery products, and (ii) the EDM that implements the activities of extending the national public network to fishing centers and fishing communities, and (iii) the FUNAE that installs energy production systems in fishing infrastructures located in remote places. In addition, INAM will support the EWS and INGD the communities' preparedness and disaster management.

## **2. Indication of Hazard, exposure, sensitivity and adaptive capacity**

Mozambique is a tropical wet-dry to sub-tropical country with some semi-arid climate and is located in the eastern coastal zone of Southern Africa. The country's total population is estimated at 32million people with annual growth of 2.9% between 2015 and 2020 (UNFPA,2020). Mozambique has the third-longest coastline on the African continent of approximately 2,770 kilometres and is home to about 60% of the total population. The vast coastline hosts critical ecosystems, such as mangroves, reefs, bays, and dunes, amongst others.

### **Background on Economy**

Mozambique is a Low-Income country with a GNI per capita of USD 500 dollars (2022) despite impressive growth for almost two decades. The Services sector has been and remains the mainstay of the economy, contributing to about 50% of total output. The economy has seen limited transformation since the beginning of the 2000s, with a slight shift from the Agriculture sector to a greater share of mineral products. Mozambique's Southern Region, where the capital and most business are located, generates almost 50% of the country's GDP (in 2020)

Mozambique is rich in natural resources and biological diversity. Forest, fisheries, agriculture, livestock, and tourism resources contribute to social economic development. Despite being one of the lowest GHG emissions contributors (0.1 tons per year - a third than low-income countries average) Mozambique is one of the 10 countries most affected by climate change, according to the Global Climate Risk Index. Based on data from United Nations' climate change country profiles an increase of 1.0°C to 2.8°C by 2060, and a would have severe impacts on Mozambique's infrastructure, due to the lack of risk zoning and noncompliance with spatial planning legislation, as well as result in environmental degradation, and loss of biodiversity and ecosystems (erosion and saltwater intrusion) which may affect the mining, tourism and agriculture sectors. Together this poses a major challenge to fight poverty and raises the dependency on international support.

## Land Use and Land Use changes

Total land cover of Mozambique is 82,36 Mha which is distributed as shown in fig 1 below.

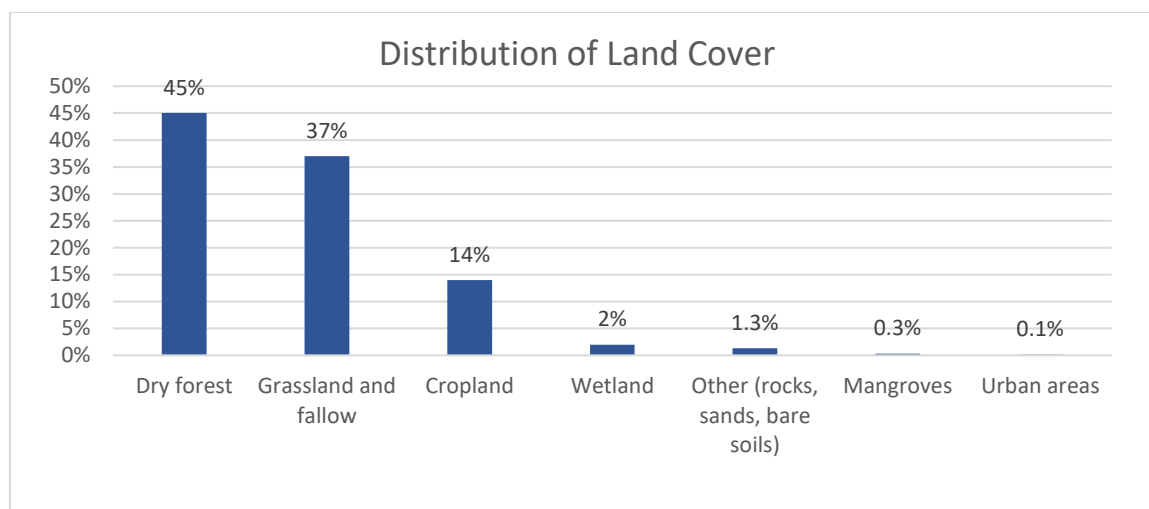


Figure 2: Distribution of land cover (source: Grinand et al, 2008)

Land-use change is mainly driven by changes in urbanization, climate variabilities, and deforestation. Annual deforestation of 207 272 ha per year was recorded between 2000-2016 (Grinand et al., 2018).

Rapidly increasing populations, have put considerable pressure on available crop land to produce more food, resulting in shorter fallow cycles. This, in turn, leads to reductions in soil fertility and increased soil and environmental degradation and erosion. As the pressure continues to increase, this traditional shifting cultivation system will not be able to survive. Major temporal land use changes for the last two decades, as well as the present potential available land for different land uses are shown in fig 3 below. Only 26.6% of the total land or 6,796,400ha is currently available for the expansion of agriculture, without interfering with other land uses (IIAM, 2008) however, most of this is in areas currently difficult to access, or susceptible to flooding, or with limited water resources.

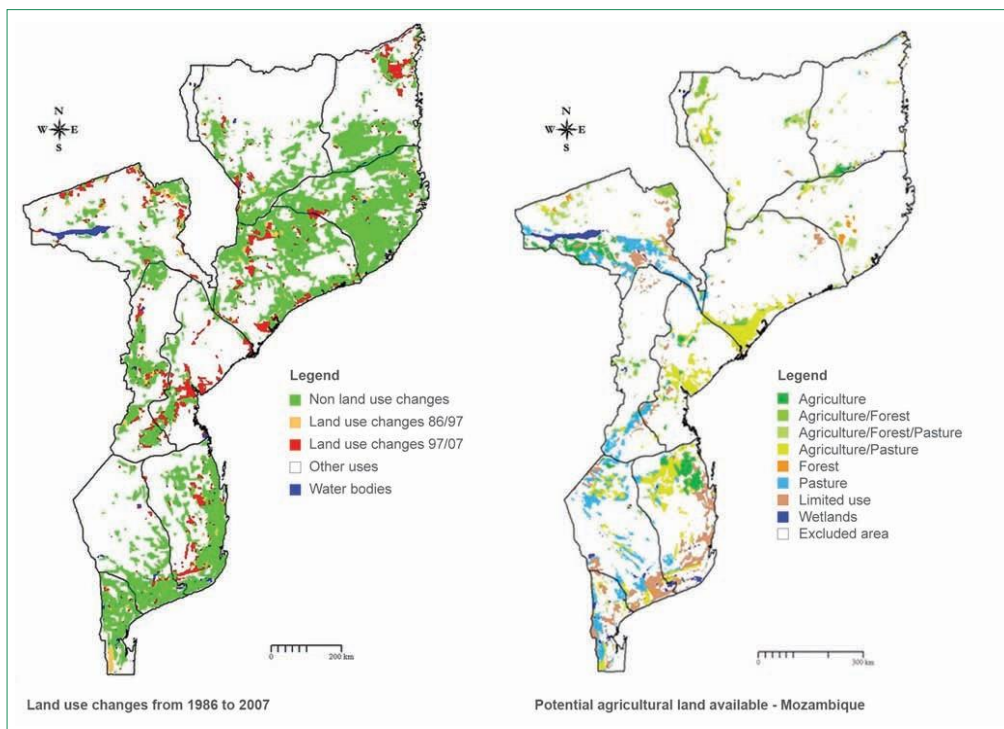


Figure 3: Land Use changes

## Geography

Mozambique is severely affected by climate-induced disasters. A significant proportion of Mozambique territory has favourable natural conditions to the occurrence of natural disasters (fig 4). Over the past two decades, the country experienced an increase in extreme weather events, such as droughts, floods, and storms, which are projected to become only more frequent and intense in the future, notably floods, droughts and cyclones.

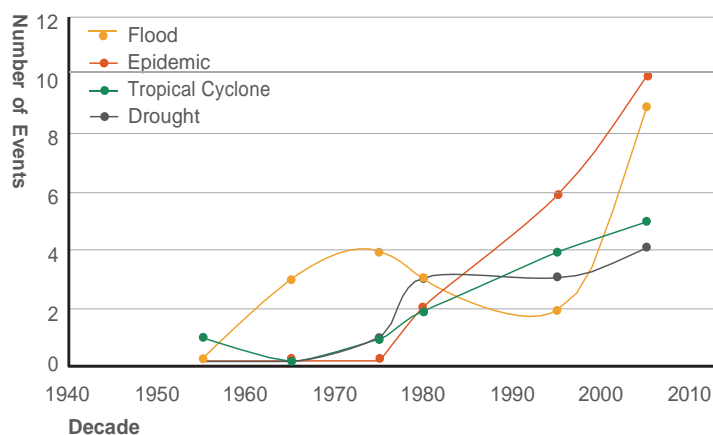
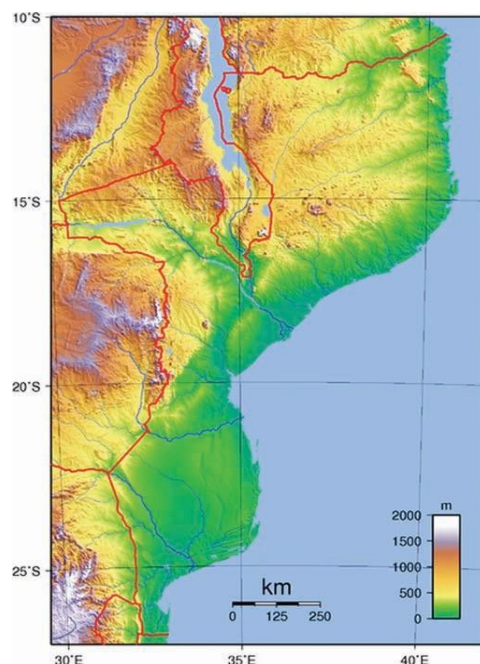


Figure 4: Occurrence of natural disasters

In recent times, sea-level rise (SLR) and temperature increases have been added.



**Figure 5: Topographic Map**

Mozambique is divided into five zones. Three zones are based on the regional/provincial administrative division of the country i.e., South (Maputo, Gaza and Inhambane provinces), Central (Tete, Manica, Sofala and Zambezia), and North (Nampula, Cabo Delgado and Niassa). The fourth zone is the coastal zone which cuts across all regions and the most vulnerable to cyclonic activity. It is where most socio-economic infrastructure currently exists, and is associated with dominant patterns of population settlement. The fifth zone represents the river flood plain systems, most vulnerable to both floods and water stress. The topographic map of Mozambique clearly shows the low lying coastal plain covering much of the country in the South and Central zones (colored green/blue). The higher mountains/plateaus inland and to the North are also clearly visible.

The socio-economic implications of past events have been significant in many cases. Losses of lives, public and private assets which translate into GDP losses has been a direct consequence of these disasters. These offset the country's efforts to eliminate poverty and promote development.

### **Projected temperature and Precipitation Trends**

Generally, the climate may be more extreme, with droughtspells being hotter and more extreme floods. The Central zone is likely to be the hardest hit in terms of climate change, particularly those regions at lower altitude, which are already hot. For example, the Zambezi valley. Temperatures in Mozambique may rise by as much as 2-2.5°C by 2050 and 5-6°C by 2090 (depending on the region). Fig 6 below shows the changes in future rainfall, maximum temperature, simulated by the seven General Circulation Models (GCMs) for the North, Centre, South and Coast for the 2045-2065 and 2080-2100 periods.

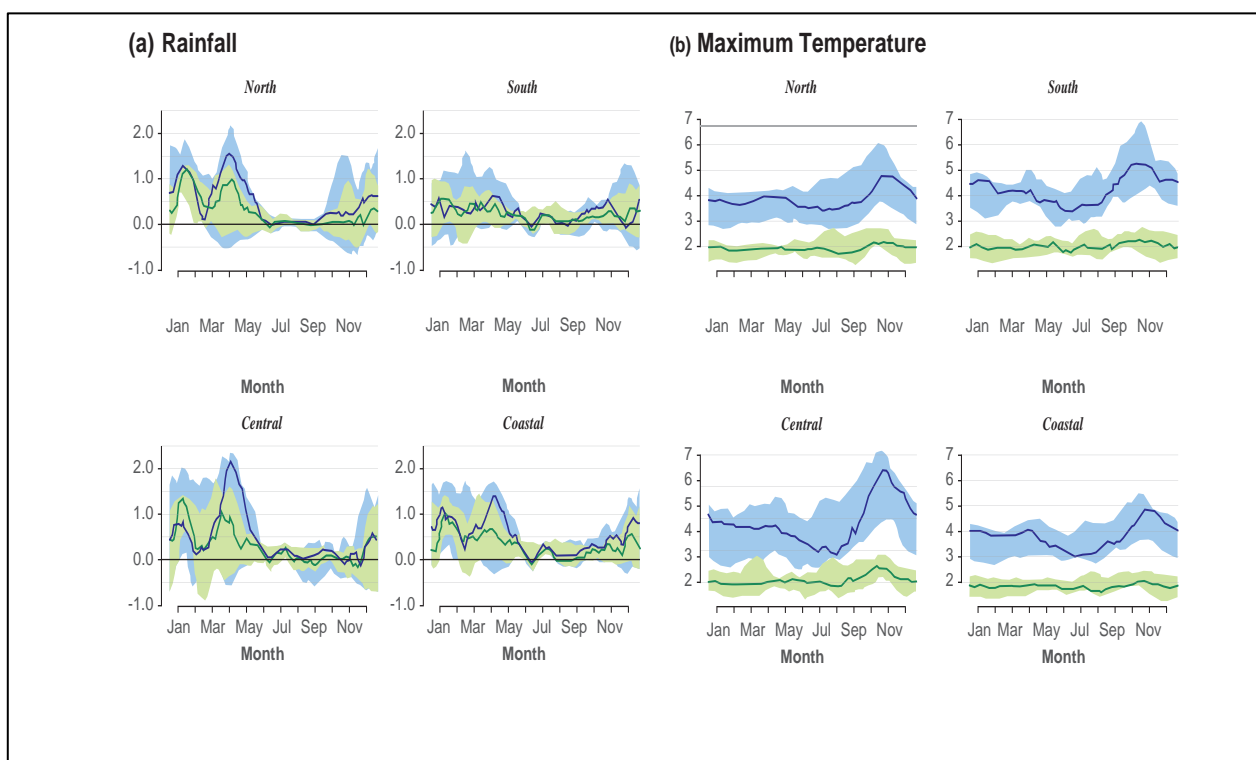


Figure 6: Projected changes in future rainfall and temperature

### Floods Occurrence

Country's vulnerability in general and particularly to flooding and SLR is related to heavy rainfall, hypsometry which explains that extensive plains are lower in relation to the rivers and sea levels, high flood flows from neighbouring countries, in shared river basins, changes in vegetation cover and land use.

The country's river basins prone to major flooding and impacts are Maputo, Umbeluzi, Incomati, Limpopo, Save, Buzi, Pungwe, Zambezi, Licungo and Messalo. Those with the largest number of displaced people, flooded areas, loss of crops are the Limpopo and Zambezi. The basins where there are the greatest damages in road infrastructure are Limpopo, Incomati, Umbeluzi and Pungwe. Hypsometry and geographical location (e.g., coastal vs hinterland) are also important determinants of the geographical location of these extreme events.

### Cyclones

Accordingly, while floods are a phenomenon of the southern and central regions cyclones are most frequent in coastal and marine areas. The provinces with the highest incidences of cyclone occurrence are Nampula, Inhambane Zambezi and Sofala in the center. All these provinces are in within the PROPEIXE project area. Fig 7 below shows the impact of a Category 4 cyclone in Zambezi and Nampula in the North. Area of impact is shaded, road network is shown in red lines, population is shown in black dots.

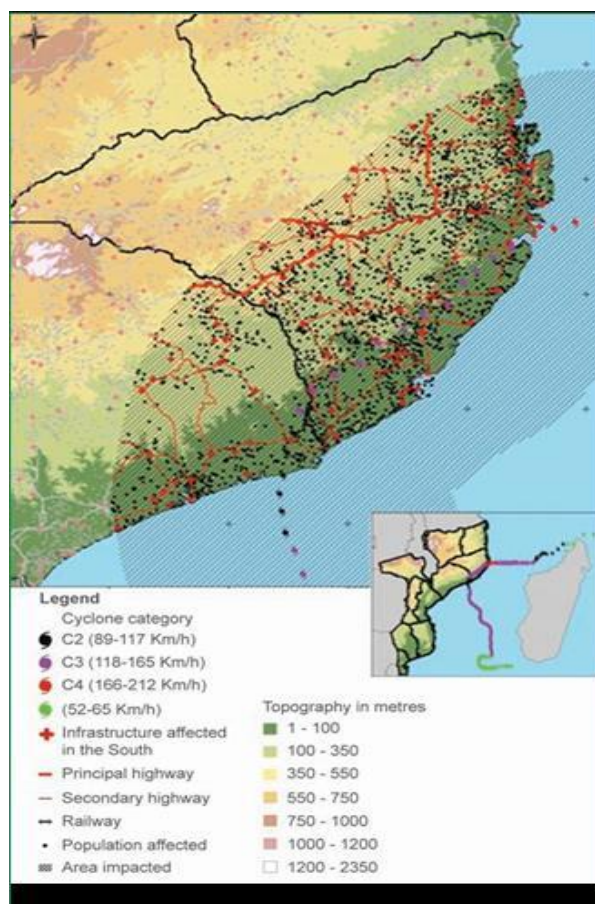


Figure 7: The Impact of a Category 4 Cyclone in the North (Source: Bundrit and Mavume, 2009)

Tropical cyclone Dineo hit the country in February 2017. According to the government, approximately 550,000 people were affected, and more than 33,000 homes were completely destroyed. In 2019, in short sequence, two cyclones made landfall in March and April. In Mozambique alone, cyclone Idai killed more than 600 people and left an estimated 1.85 million people in need. Cyclone Kenneth was the strongest tropical cyclone ever to hit the African continent and left about 374,000 people in need. Together, the two 2019 cyclones caused damages and losses in the country amounting to an estimated US\$3 billion. In 2022, Cyclone Freddy destroyed over 132,000 homes, leaving more than 640,000 people homeless damaged over 1,017 schools and over 5,000 kilometers of roads.

Table 1: Cyclone history since 2019

Year	Cyclone	Category	Wind Speed	Affected Regions
2023	Freddy (Mar)	3	max. 183 km/h	Zambézia, Tete
2023	Freddy (Feb)	5	max. 256 km/h	Inhambane
2023	Cheneso	1	max. 148 km/h	Nampula
2022	Jasmine	Tropical storm	max. 100 km/h	Nampula, Zambezia
2022	Gombe	3	max. 183 km/h	Nampula, Niassa, Tete
2022	Ana	Tropical storm	max. 93 km/h	Nampula, Tete
2021	Iman	Tropical storm	max. 87 km/h	Nampula
2021	Guambe	2	max. 161 km/h	Gaza, Inhambane, Sofala
2021	Eloise	2	max. 157 km/h	Nampula, Zambézia Sofala, Gaza

2020	Chalane	1	max. 124 km/h	Zambézia, Sofala, Manica
2019	Kenneth	4	max. 226 km/h	Cabo Delgado
2019	Idai	4	max. 213 km/h	Zambézia, Nampula, Niassa, Sofala, Manica
2019	Desmond	Tropical storm	max. 83 km/h	Inhambane and Zambezia

These extreme weather events hinder economic growth, slow per capita income growth, exacerbate inequality, and entrench fragility.

### Sea Level Rise

Mozambique's coasts are susceptible to future sea level rise as the majority of the country's coastal zone is located below sea level. Sea levels are projected to rise between 0.18 m and 0.59 m by the 2090s compared to 1980-1999 sea levels. There is very little sea level data needed for sea level rise quality analysis but recent past trends in global rates of sea level rise can be cautiously used for the coast of Mozambique. It is a fact that with changing emissions and increased temperatures, there is likely to be further acceleration of sea level rise through the links to climate change processes. It is estimated that storm surge induced sea level rise could rise by 1.1m or more by 2050 in Maputo's low-lying coastal areas. Fig 8 below indicates the areas at risk in the Centre and in the South both from a sea level rise of 5m and/or from the impact of an intense tropical cyclone and storm surge (Source: Bundrit and Mavume, 2009).



Figure 8: Areas at risk from sea rise and extreme cyclones

The major physical impacts of a rise in sea level include erosion of beaches, inundation of deltas as well as flooding and loss of many marshes and wetlands. Increased salinity will likely become a problem in coastal aquifers and estuarine systems as a result of saltwater intrusion. Table 2 shows area impacted by salt water intrusion as a result of sea level rise and storm surge, by approximately 2030.

Table 2: Salt water intrusion

Rivers	Distance Inland in km	Area Impacted in km <sup>2</sup>
Ligonha	5	6
Zambezi	28	240
Buzi	20	19
Save	16	170
Limpopo	29	83
Incomati	28	9
Maputo	11	5

Source: Brundrit and Mavume, 2009.

### Droughts

The southern and central regions also experience more droughts than the northern, where rains tend to have a more regular pattern. From 2016 to date, Mozambique has faced two severe drought events. In 2016, the worst drought in 35 years associated with the El Niño–Southern Oscillation caused severe crop failure and the death of livestock of thousands of farmers. The implications for the country’s food security were tremendous, decreasing overall food availability by 15% and affected up to 2.3 million people. Subsequent cyclical dry spells have depleted water reserves in the south of the country, causing severe water shortages in cities including the capital Maputo. The country’s water reserves only returned to full capacity after an intense rainy period in February 2021, which in turn caused localized flooding.

Generally, based on current projections, the climate may be more extreme, with drought spells being hotter and more extreme floods. The Central zone is likely to be the hardest hit in terms of climate change, particularly those regions at lower altitude, which are already hot. For example, the Zambezi valley.

### Veld Fires

The intricate traditional balance between humans and fire as a tool for agriculture, hunting, charcoal production and woodland management, has been upset in Mozambique in recent decades due to population growth, conflict and a breakdown in traditional management practices. The result has been a perceived rise in the number of wildfires affecting rural communities and an associated increase in crop and property damage, as well as the loss of human lives (Hoffman et al., 2008). Niassa province in the North is the highest in terms of fire occurrences, followed by Tete and Zambezia provinces in the Centre and Manica and Sofala provinces in the Centre with recorded spatial repetition of wildfire events, increasing the risk of irreversible loss of natural ecosystem and biodiversity.

The on-going process of climate change has the potential to exacerbate this situation by altering the frequency, intensity, severity and seasonality of fires in Mozambique.

## 3. Sector Vulnerabilities

Mozambique is vulnerable to climate change due to its geographic location, low adaptive capacity as a result of poverty, limited investments in technology and weak infrastructure and social services. Climate change manifests itself through increased frequency and intensity of extreme events (droughts, floods, floods, event storms and tropical cyclones), rising sea levels, changes in temperature and precipitation patterns. The consequences of climate change impacts include loss of human life, destruction of social and economic infrastructure, loss of domestic animals, loss of agricultural land



and crops, rising prices of agricultural products, deterioration of human health, environmental degradation in particular for erosion and saltwater intrusion.

### **Water**

Rising temperature and the changing nature of drought periods will increase demand on water resources. Mozambique's water management and irrigation supply system remains limited—85% of the nation's agriculture is rain-fed. Climate change will likely result in increased water demand and bring additional stress to the limited existing system. Investment in modern agricultural technology is done only in small areas—mostly along the river banks and flood plains where there are rich soils. Flooding will destroy these advanced irrigation systems and possibly make agricultural production unsustainable.

### **Agriculture**

Agriculture is the sector which most of the Mozambican population depends on for income and food security, yet it is one of the sectors most affected by climate change. This sector is made up of small, medium and large producers. The agricultural sector is dominated by 3.2 million smallholder farmers who produce 95% of the agricultural production (GoM - PAPA, 2008). In total, agriculture, fisheries and forestry contribute 27.5% of GDP (2021 World Bank Data). Furthermore, 80% of the country's working population is employed in the agrarian sector. Thus, this sector is fundamental for poverty reduction and income generation for rural families, since most of this population depends on agriculture for food, employment and income.

A critical factor in agricultural production is access to and distribution of water throughout the vegetative cycle of crops. Production and productivity levels are affected by changes in climatic parameters, in particular variations in precipitation, given that around 98% of farmers practice rainfed agriculture (CAP, 1999-2000). According to the wet season balances, the agriculture sector is vulnerable to drought and drought events, floods and floods, strong winds, tropical cyclones including pests (see Table 3.6). These events result in crop areas affected and/or lost; death and/or disappearance of domestic animals, especially cattle, goats, pigs, sheep and birds; destruction of agricultural and animal husbandry infrastructures; loss of pasture areas, affecting farmers and their families.

### **Livestock**

For families who own livestock, livestock has many social, economic and cultural benefits, including consumption, bartering or sale during low agricultural income years, animal traction and traditional ceremonies. PROPEIXE will also be looking into possibilities of supporting fishery communities with alternative livelihoods of which livestock production is one of them. Livestock production is usually a way for households to adapt to climate change, as animals are relatively less affected. However, several aspects of animal production are affected by climate change, including food quantity and quality, disease distribution, management practices and production systems (Herrero et al. 2009).

Climate change effects on livestock have been observed as follows: water stress, increase of pests and diseases among herds, reduced pastures, changes in the duration of the growing season, pasture quality reduction, reduction of animal performance, spread of diseases and parasites to new regions, thermal with significant effects on milk production and reproduction in dairy cows and reduction in the quality of livestock products (meat, milk etc).

The above challenges are in addition to the already production challenges such as insufficient capital and availability of inputs, low level of coverage by veterinary extension services. Many families raise cattle in small herds, due to poverty and lack of resources to purchase more animals.

### Health

Warmer temperatures may extend the range and prolong the seasonality of transmission of vector-borne diseases, especially malaria. The malaria causing mosquitoes thrive in stagnant pools left behind when the flood waters recede. The frequency and intensity of extreme weather events influences the incidence of water-and rodent-borne diseases. Cholera periodically reappears, especially following flooding and with warm temperatures. During the 1997/98 El Niño event, the (unexpected) flooding and elevated sea surface temperatures (SSTs) led to epidemics of cholera in Mozambique and neighboring Tanzania (WHO, 1998). Drought can also be associated with cholera and other water-borne diseases, due to the associated decline in personal hygiene and lack of adequate drinking water. The 1993 outbreak was associated with the 1992/93 El Niño-associated drought (Epstein, 2008).

Other diseases are also expanding or re-emerging. The IPCC (2007) projections for an increase of 5-8% in arid and semi-arid land in Africa could increase transmission and favor the expansion of the meningitis belt (Epstein, 2008).

### Roads Infrastructure

Infrastructure in Mozambique is generally poor and inadequate, particularly in many areas that were heavily affected by the country's civil war in the 1970s. Of the approximately 30,400 km of highways, only 6% are paved. The infrastructure and road sectors have almost always suffered considerable damage. Cyclically, several kilometres of roads are flooded and removed by rainwater simultaneously with the ground. In spite of significant efforts to improve the transportation network, large sections are virtually impassable during the rainy season. With the increase in river flows, several bridges and bridges have been damaged, resulting in the interruption of road traffic.

### Telecommunications and Electricity Infrastructures

Communication and electricity infrastructures are part of the list of critical infrastructures in the context of climate change, bearing in mind that they are essential for information dissemination, early warning systems, rescue and rescue operations. Over the last few years, communication and electricity infrastructures have been affected by extreme events, especially cyclones, in which strong winds have cyclically destroyed the equipment. As mentioned above, the destruction of equipment brings losses not only because of the damage, but also because their destruction negatively affects the operation of essential activities in the context of rescue and humanitarian assistance to victims.

### Health and Educational Infrastructure

As in other sectors, the school and hospital infrastructure sector is very susceptible to extreme events such as cyclones, heavy rains and floods.

### Biodiversity

One of the main causes of the threat to biodiversity apart from anthropogenic causes is climate change, due to its potential to cause species extinctions, alter their spatial and temporal distribution and alter fundamental biogeochemical and ecological processes. Climate change is causing the alteration and/or loss of ecosystems (mainly vulnerable ones, such as mangroves, corals, marine meadows, mountainous ecosystems, flooded savannas, etc.) and, consequently, the well-being of populations that depend on them, goods and services provided by ecosystems.

Regarding coastal and marine ecosystems, it is estimated that the effects of climate change result in the alteration of marine biodiversity by warming the water column and acidification, leading to bleaching and coral death (MITADER, 2018). Currently, coral reefs off the coast of Mozambique are recovering from the losses that occurred in 1988 due to the bleaching phenomenon induced by increases in sea temperature, caused by the El Niño Southern Oscillation (ENSO) phenomenon (MICOA, 2014)

### Coastal Zones

Mozambique's 2300 km coastline and the urban centers of Maputo and Beira are likely to face significant impacts under a changing climate. Rising sea levels and increasing intensity of storm surges are projected to flood low-lying areas and erode existing coastlines, posing the risk of inundation of urban areas. Mozambique's population remains largely rural, but a growing number of people are migrating to coastal urban areas. In Beira for example, a city just 4.9 meters above sea level and located in a cyclone-prone area, rising sea levels coupled with increased intensity of storm surges suggests the existing 3.4-meter seawall that protects much of the city's port and transport infrastructure is likely to be breached every year a cyclone makes landfall in the vicinity.

Another main risks that may arise from temperature fluctuations over the coastal zone is related to fragile ecosystems such as mangroves and coral reefs. Thus, despite the adaptability that these ecosystems may have, and the country's efforts to minimize human interference in the system, it is expected that with the rise in temperature, part of these ecosystems will be negatively affected.

### Fisheries

Climate change will affect fisheries through acidification, changes in sea temperatures and circulation patterns, the frequency and severity of extreme events, and sea-level rise and associated ecological changes. Fish migration and breeding behaviour will be directly affected and changes in their physical environments will indirectly affect growth, mortality and reproduction. In addition, the species and ecosystems that fish rely on will be affected with impacts on fishery catch potential. Fish species will probably shift their distributions as warmer-water species and colder-water species are both expected to shift. Sea-level rise, storm surges and flooding can have negative and positive impacts on fish productivity, while human impacts to these will be negative. Coastal areas with coral reefs are particularly vulnerable to changes in temperature and acidity, with serious food security concerns for the population that rely on these resources for food and coastal protection.

### Artisanal Fisheries

Small-scale fisheries in Africa employ over 95% of fishers and provide more than 90% of the fish consumed across the continent. In Mozambique, as elsewhere on the continent, small-scale fisheries are a crucial component of the rural economy, supporting food security and livelihoods. These fisheries, however, face a range of pressures arising both from dynamics within the sector itself, such as overfishing and illegal fishing, as well as external forces related to the development of other sectors of the economy and geophysical changes associated with climate change.

Projected increases in sea surface temperature will negatively impact coral reefs that provide the vital nutrients required to support an active domestic and export fisheries sector, employing over 70,000 households. The impacts of all these projections will be compounded by the poor development practices along the coastline

An increase in temperature is also anticipated to negatively affect the fish stocks and such a reduction would mean increased food insecurity and threaten income reliability while simultaneously placing coastal ecosystems under even greater stress with increased competition for fish stocks that are already considered over exploited.

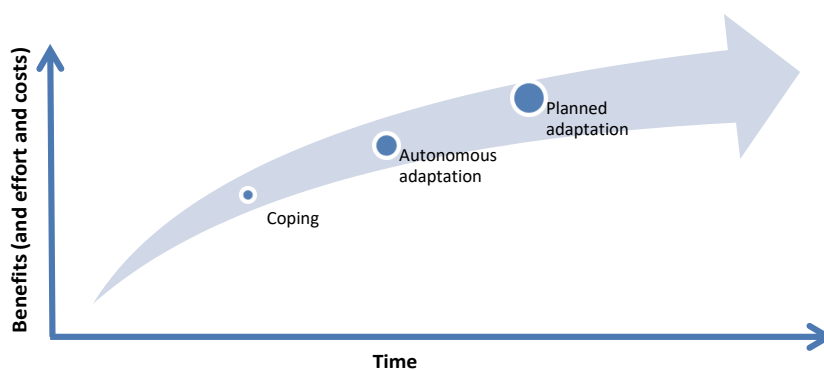
## 4. Adaptation Assessment

### 4.1 Identifying Adaptation Options

Adaptation refers to “initiatives and measures aiming at reducing vulnerability of natural and human systems against actual or expected climate change effects” according to IPCC (2007a). In particular, adaptation can be a means of addressing one or more of the three components of vulnerability (i.e., exposure, sensitivity, and adaptive capacity), either explicitly or implicitly. Understanding the factors behind vulnerability (section 2) is of particular importance for generating relevant adaptation options.

This section provides a set of general adaptation strategies that can serve as a framework for brainstorming more specific adaptation options and management actions. Ultimately, however, Sub-projects will need to assess the options generated against context-specific “climate-smart design considerations” to ensure that they address relevant impacts and vulnerabilities, or take advantage of opportunities presented by Climate change.

Adaptation can be planned or autonomous (i.e. spontaneous reaction to environmental change or planned action based on climate-induced changes). Autonomous adaptation in fisheries may be changing the timing or locations of fishing as species shift to new areas. Planned adaptation in fisheries may be research funding for finding species resistant to salinity. A “no regrets” approach relies on building general resilience without a heavy reliance on specific climate impact projections, which is useful in areas with high impact uncertainty, which include many equatorial areas and developing countries without long-term historical climate data sets. Adaptation in fisheries can include a variety of policy and governance actions, specific technical support or community capacity building activities that address multiple sectors, not just capture fisheries. Adaptation activities may be addressing short- or long-term impacts, although coping can sometimes be confused with adaptation. Coping is a short-term response to an impact (e.g., responding to extreme storm impacts for a single season), and can result in undermining adaptation activities as the benefit time scale for coping activities is very short term (Figure 9).



**Figure 9: Time scale and amount of benefits and costs required for various types of adaptation**

Coping is focused on short-term benefits, often one season and usually with lower costs and requiring less effort than other adaptation. Planned adaptation typically requires the most effort and cost, but is focused on a much longer time scale (e.g., generations)

This section highlights adaptation actions with specific benefits to fisheries. Adaptation may address issues not specifically focused on fisheries, such as mangrove restoration for the primary purpose of buffering coastal communities from storm surge and coastal erosion. Although the primary purpose is not related to livelihoods, fisheries, biodiversity or water quality, ecosystem services from mangrove restoration will positively affect all of these. Mangroves provide important habitat for aquatic species, contributing to biodiversity and increased food product availability for household consumption and resources for local markets, as well as providing water filtration services. As with any development action, there is a potential for maladaptation leading to new or reinforcing inequalities if vulnerable landless groups used restoration areas, or resource extraction is not managed well and newly planted areas are overutilized, preventing full restoration and therefore full benefits.

For capture fisheries, adaptation involves adjusting fishing pressure to sustainable levels. Setting catch limits based on changes in recruitment, growth, survival and reproductive success can be done via adaptive management, monitoring and precautionary principles. This may also require changes in vessel or gear types if new fisheries opportunities become available. These may come with high costs (for new vessels and/or gear), but these changes may support the continuation of fishing communities. However, if these gear types are more efficient, this could lead to travelling further ashore (and spending more on fuel) or overcapacity may reduce fishery profitability. Other issues could include transboundary issues if populations move into other territorial waters e.g Tanzania. This will require cooperation and discussion between neighbouring countries and regions, including developing or modifying fishing agreements and collaborative management.

Key documents for effective adaptation in Mozambique are as follows:

- Initial National Communication to the UNFCCC (2006)
- Intended National Determined Contribution (2015)
- First National Determined Contribution (2018)
- Climate Change and Gender Action Plan (2014)
- National Climate Change Adaptation and Mitigation Strategy 2013–2025 (2012)
- National Adaptation Program of Action (2007)
- Master Plan for Risk and Disaster Reduction 2017–2030

Although adaptation is context-specific, there are a number of adaptation activities that can be applied in most fisheries. General adaptation options identified against risk areas are given in table 3 below.

Table 3: General Identification of Adaption Options

Area	Technical Actions	Policy and Governance	Capacity Building / Research
Increasing and recurring Climate Induced extreme events	<ul style="list-style-type: none"> <li>- Improving early warning systems to reduce community exposure and facilitate well planned actions</li> <li>- Improved communication networks</li> <li>- Improve on vessel monitoring and locating devices (two-way communication system)</li> <li>- Upgrade emergency response planning to deal with emerging intensive climate change events beyond current preparedness levels</li> <li>- Sea walls and flood reservoir</li> </ul>	<ul style="list-style-type: none"> <li>- Improve agency coordination</li> <li>- Review resettlement plans of coastal communities from a climate change perspective</li> <li>- Create an information system which integrates information on climate hazards (cyclones, floods and droughts), their expected changes in the future, as well as information related to both physical and social vulnerabilities</li> <li>- Harness the capacity of the private sector to help translate Mozambique's obligations under conventions, laws, policies and regulations, into actual adaptation and sustainable development on the ground</li> </ul>	<ul style="list-style-type: none"> <li>- Promoting public awareness of climate change</li> <li>- Research on appropriate insurance products to cushion communities against damage to fisheries equipment</li> <li>- Training extension workers and communities on data gathering and interpretation</li> <li>-</li> </ul>
Biodiversity and Coastal Ecosystem Protection	<ul style="list-style-type: none"> <li>- Ecosystem-based fishery management (EAF)<sup>4</sup></li> <li>- Reforestation in logged mangrove zones (will also act as buffer zones)</li> <li>- Mangrove rainwater harvesting and conservation</li> <li>- Manage land and soil degradation</li> <li>- Promote Photovoltaic Solar Systems to reduce pressure on natural resources for energy</li> </ul>	<ul style="list-style-type: none"> <li>- Develop Integrated Coastal Zone Management</li> </ul>	<ul style="list-style-type: none"> <li>- Research/monitor the coastal ecosystem</li> </ul>

<sup>4</sup> EBFM is able to fully account for the many different factors (environmental, social and economic), that may affect the sustainability of fisheries. It facilitates informed trade-offs between the priorities of different stakeholders, and seeks to optimise the health and productivity of fisheries and their ecosystems in relation to human needs – both now and into the future, as environmental conditions change and human demands on marine ecosystems increase.

Area	Technical Actions	Policy and Governance	Capacity Building / Research
	<ul style="list-style-type: none"> <li>- Manage destructive fishing practices</li> <li>- Reduce land-based sources of pollution (liquid and solid waste)</li> <li>- Apply the living shorelines approach (LSA) which uses natural vegetation, sand and some rock to protect shorelines and habitat</li> <li>- Infrastructure provision (e.g., harbour and landing site protection)</li> <li>- Hard defences (e.g., sea walls) (risks affecting local ecosystem processes and/or local livelihoods)</li> <li>- Wetlands rehabilitation (risks affecting local livelihoods)</li> </ul>		
Reduction in Fish stocks (including specific fish species)	<ul style="list-style-type: none"> <li>- Develop sustainable fishing practices</li> <li>- Increase fishing capacity/effort (risk of over-exploitation)</li> <li>- Develop new demersal fisheries in deeper waters that are less vulnerable to climate change Make contingency plans to deal with loss of catch due to storms or die-off events</li> <li>- Diversify livelihoods / create income sources from activities other than fisheries and those that do not depend on the same resource</li> <li>- Access higher-value markets</li> <li>- Increased monitoring capacity</li> <li>- Maintenance of fishing effort levels recommended in the Fisheries Management Plan</li> </ul>		<ul style="list-style-type: none"> <li>- Research the effects of climate change on species distribution</li> <li>- Train staff to build understanding of the effects of climate change on fish distribution, storm tracks and fisheries yield</li> <li>- Research opportunities for different commercial fish species</li> </ul>
Vulnerability of Coastal/Fisheries Communities	<ul style="list-style-type: none"> <li>- Early warning systems and education</li> <li>- Rehabilitation and disaster response</li> <li>- Institutionalise appropriate post-disaster recovery</li> <li>-</li> </ul>		<ul style="list-style-type: none"> <li>- Early warning systems and education</li> <li>- Investigate, pilot and implement financial mechanisms e.g, Insurance and/or other innovative</li> </ul>

Area	Technical Actions	Policy and Governance	Capacity Building / Research
			instruments at national and local level
Safe marine activity	<ul style="list-style-type: none"> <li>- improve safety at sea due to increased storm severity</li> <li>- Improved vessel stability/safety</li> <li>- improve early warning and forecasting systems for severe weather events.</li> <li>- Adequate onshore storage facilities for boats and gear can prevent loss or damage from storms and extreme events</li> </ul>		- Effective awareness creation and education at community
GHG Emissions from Fishery	<ul style="list-style-type: none"> <li>- Promote use of renewable energy in fish processing (drying, storage and transportation)</li> <li>- Avoid the use of wood in construction reduce GHG emission</li> </ul>		- Raise awareness on the need for transition from HCFC-22/HFC to HFO and natural refrigerants which is a non-ozone-depleting HFC refrigerant blend
Policy Framework		<ul style="list-style-type: none"> <li>- Link local, national and regional policies and programmes as CC affects sectors in and in between countries e.g., fish displacement/migration</li> </ul>	
Climate Change Planning and Mainstreaming issues		<ul style="list-style-type: none"> <li>- Explicitly include adaptation within the fisheries management plan</li> <li>- Integrate fisheries sector fully into climate change adaptation and socio-economic sectors e.g, food security policies at the national level (draft and enact where non-existent) to ensure incorporation into broader development planning. This will also involve trade-offs, compromises, and planning with other industries</li> </ul>	



Area	Technical Actions	Policy and Governance	Capacity Building / Research
		affecting fisheries e.g agriculture - Integrating climate change into decentralized district planning - Include development partners, NGOs and private sector for holistic climate change adaptation planning as compared to technically focused planning only.	
New Climate changes	Monitoring 'new' changes in climate events and collecting information to feed into adaptive management		- Effective awareness creation and education at provincial and district level
Community health	<ul style="list-style-type: none"> <li>- Consider the effect of new weather patterns on the health and well-being of fishers</li> <li>- Leverage mosquito control activities, distribute treated mosquito to communities and workers</li> <li>- Increased access to clean water</li> <li>- Provision of medications</li> </ul>		<ul style="list-style-type: none"> <li>- Research risks associated with vector borne diseases</li> <li>- Health education in the most vulnerable communities</li> <li>- Invest in research on emerging health issues affecting artisanal fishery community such</li> <li>- Training of technicians to cope with climate change emerging health issues</li> <li>-</li> </ul>
Effectiveness, Efficiency and curbing Maladaptation		- Ensuring performance monitoring and accountability through the establishment of an independent CC audit company, with immediate penalties for illegal practices and poor performance and award systems and incentives for good performance.	- Effective awareness creation and education at provincial and district level

Area	Technical Actions	Policy and Governance	Capacity Building / Research
		- Learn from counterparts who have done or experienced the same across the globe and apply in a local context	

## 4.2 Assessing and Selecting Adaption Options

Once potential adaptation options have been identified and the general list of adaptation options has been created, the next step is to assess and prioritise the options based on detailed information and criteria. These options must be assessed to determine their suitability to the local context, their effectiveness in reducing vulnerability or enhancing resilience and their wider impact on sustainability. The selection of preferred adaptation options should be done in close interaction with all actors involved and stakeholders impacted in the adaptation process. This process is key as it helps avoid decisions that lead to choosing unsuitable actions or to maladaptation.

Techniques for generating adaptation options (filtering process) can be done through:

- Expert/stakeholder elicitation
- Brainstorming groups/buzzing groups/ideation at various levels (national, Provincial, district and local)
- Analysis of Interconnected Decision Areas (AIDA)
- Charrettes (intense brainstorming public meetings/workshops) at local level
- Focus groups with the CCPs and wider fishery community
- Literature/case study reviews (learning from those who have experienced it before)

### Analysis Criteria

Making decisions on adaptation options is a complex process, involving decision makers from multiple sectors and experts from diverse fields who need to contend with high levels of uncertainty. It is critical to choose adaptation options that are both effective at increasing resilience as well as socially, economically and politically viable. A simple qualitative description not based on numerical values but on qualitative descriptions such as low, high, and medium can be used but given the diverse array of potential information sources and the many stakeholders with different perspectives and priorities, a Multi-criteria analysis (MCA) is necessary to provide a systematic way for decision makers to make sense of the wide range of information that may be relevant to making adaptation choices. MCA enables decision makers to create a structured framework for comparing a set of defined options across a number of diverse criteria so that they may evaluate adaptation options across a range of priorities or values.

A standard feature of MCA is a performance matrix in which each row describes an option and each column describes the performance of each option against each criterion (Table 5). Often the individual performance assessments are numerical in value, with higher scores representing more preferred options. Individual scores can then be combined into a final score for each option based on the weights that have been assigned to each criterion. Such a matrix can be the final product of an MCA analysis.

### IFAD Adaptation Options Prioritisation System

A database of adaptation options, and system for the assessment and prioritisation of adaptation options have been developed as part of IFAD's Adaptation Framework. The prioritisation comprises two main elements. First, the adaptation options are filtered based on project sector, and the climate risks identified during the climate screening process. MCA is then carried out on the shortlist of adaptation options to assist in choosing measures to integrate into the project using the following criteria:

1. Technical feasibility
2. Cost-benefit ratio
3. How well the option addresses risks in the project context

4. Complementarity to other IFAD themes
5. Flexibility (i.e avoids lock-in)
6. Mitigation co-benefits
7. Transformative potential
8. Accessibility for artisanal fisheries

The Adaptation Options System (AOS) uses a simple scoring system based on the eight criteria above. The first four criteria require a minimum score of 2; options which score lower than 2 on any of these criteria do not meet the minimum requirements and are not deemed to be suitable. Adaptation options which are scored the highest are most suitable for a project. The guidance below sets out how users of the system should score, assign scores to the adaptation options for each of the criteria in the multi-criteria assessment.

**Table 4: Scoring Scheme<sup>5</sup>**

No.	Theme	Scoring Criteria		
		1	2	3
1	Technical Feasibility	No experience in implementing solution	Consultants available with suitable skills	Previous IFAD experience with solution
2	Cost Benefit Analysis	Benefits are less than the costs	Benefits are higher than the estimated costs	Benefits are significantly higher than the estimated costs
3	Addresses Climate Risk	Adaptation option is not relevant or may not be effective for the risks identified	Adaptation option effectively addresses at least one of the identified risks	Adaptation option is relevant for all of the major climate risks identified
4	Accessibility for small holder fishery community	Adaptation option is inaccessible for the main project beneficiaries (e.g. unaffordable, requiring regular complex maintenance), or exacerbates existing inequalities.	Adaptation option is accessible for the majority of the project's target beneficiaries.	Adaptation option is accessible to project beneficiaries and specifically benefits women or other marginalised groups.
5	Flexibility (avoids lock-in)	The adaptation option has a long life-time (>10 years) and its design does not allow for any adjustment.	The adaptation option being considered has a short lifetime (less than 10 years)	The adaptation option is low or no regrets or is part of an adaptive management approach.
6	Mitigation Co-benefits	No mitigation co-benefits or adaptation significantly increases greenhouse gas emissions.	Adaptation option leads to emissions reductions, either at present or in the future.	Adaptation option involves reforestation, restoration of carbon sinks, or the substitution of fossil fuels for renewable energy sources.
7	Transformative potential	Adaptation option is limited to small increases in the resilience of target group, but does not involve changes in wider systems.	Adaptation option operates at scale or enables wider implementation of the option, for instance with a declining marginal cost	Adaptation option enables change in the system in question which significantly increases opportunities for target beneficiaries to adapt to climate change.
8	Complementarity to IFAD themes	No complementarity	Complements at least one other cross-cutting theme that is directly relevant to adaptation outcomes	Complements more than one other cross-cutting theme to support systemic resilience.

<sup>5</sup> Adaptation Framework Thematic Brief: Fisheries & Aquaculture

The AOS uses a simple scoring system based on the eight criteria above. The first four criteria require a minimum score of 2; options which scored lower than 2 on any of these criteria were deemed unsuitable for PROPEIXE. Adaptation options which were scored the highest are most suitable for a project. The results from the Adaptation Options carried out are shown in Table 5 below. All the options scored more than average and were deemed suitable to a varying degree. Options with high mitigation co-benefits scored generally high whilst those with lower transformative potential scored overall lower.

High Priority	22 - 24	
Medium Priority	18 - 21	
Low Priority	17 and below	

**Ideally, multiple-benefit options that provide synergies with other goals such as mitigation, disaster risk reduction, environmental management or sustainability (e.g., ecosystem-based approaches usually provide such multiple benefits) should be favoured due to broad range of potential future climate change impacts and their implicit uncertainties.**

## 5: Scoring Adaptation Options

No.	Adaptation Option	Technical Feasibility	Cost Benefit Analysis	Addresses Climate Risk	Accessibility for small scale fisheries	Flexibility	Mitigation Co-benefits	Transformative potential	Complementarity to IFAD themes	Suitability	Total Score
1	Ensuring performance monitoring and accountability through an independent CC audit company, with immediate penalties for illegal practices and poor performance and award systems and incentives for good performance.	3	3	3	3	3	3	3	3	Suitable	24
2	Ecosystem-based fishery management (EAF)	2	3	3	3	3	3	3	3	Suitable	23
3	Diversify livelihoods / create income sources from activities other than fisheries and those that do not depend on the same resource	3	3	3	3	2	3	3	3	Suitable	23
4	Integrate fisheries sector fully into climate change adaptation and socio-economic sectors e.g, food security policies, gender, youth at the national level	3	3	3	2	3	3	3	3	Suitable	23
5	Include development partners, NGOs and private sector for holistic climate change adaptation planning as compared to technically focused planning only.	3	3	3	2	3	3	3	3	Suitable	23
6	Reforestation in logged mangrove zones (will also act as buffer zones)	2	3	3	3	2	3	3	3	Suitable	22
7	Mangrove rainwater harvesting and conservation	2	3	3	3	2	3	3	3	Suitable	22
8	Manage land and soil degradation	2	3	3	3	2	3	3	3	Suitable	22
9	Reduce land-based sources of pollution (liquid and solid waste)	2	3	3	2	3	3	3	3	Suitable	22
10	Managing destructive fishing practices and maintenance of fishing effort levels recommended in the Fisheries Management Plan for sustainability	3	3	3	2	2	3	3	3	Suitable	22
11	Increased access to clean water	3	3	3	2	2	3	3	3	Suitable	22
12	Training extension workers and communities on data gathering and interpretation	3	3	3	3	1	3	3	3	Suitable	22
13	Research and Training of staff to build understanding of the effects of climate change on fish. Fish species, distribution, storm tracks and fisheries yield	3	3	3	3	1	3	3	3	Suitable	22
14	Investigate, pilot and implement financial mechanisms e.g, Insurance and/or other innovative instruments at national and local level	2	3	3	3	2	3	3	3	Suitable	22
15	Create an information system which integrates information on climate hazards (cyclones, floods and droughts), their expected changes in the future, as well as information related to both physical and social vulnerabilities	3	3	3	2	3	2	3	3	Suitable	22

No.	Adaptation Option	Technical Feasibility	Cost Benefit Analysis	Addresses Climate Risk	Accessibility for small scale fisheries	Flexibility	Mitigation Co-benefits	Transformative potential	Complementarity to IFAD themes	Suitability	Total Score
16	Learn from counterparts who have done or experienced the same across the globe and apply in a local context	3	3	3	3	1	2	3	3	Suitable	21
17	Invest in research on emerging health issues affecting artisanal fishery community including risks associated with vector borne diseases	3	3	3	3	1	2	3	3	Suitable	21
18	Promote Photovoltaic Solar Systems in fish processing (drying, storage and transportation) to reduce pressure on natural resources for energy	2	2	3	2	2	3	3	3	Suitable	20
19	Monitoring 'new' changes in climate events and collecting information to feed into adaptive management	2	3	3	2	2	3	2	3	Suitable	20
20	Develop new demersal fisheries in deeper waters that are less vulnerable to climate change	2	3	3	1	1	3	3	3	Suitable	19
21	Harness the capacity of the private sector to help translate Mozambique's obligations under conventions, laws, policies and regulations, into actual adaptation and sustainable development on the ground	2	3	3	1	1	3	3	3	Suitable	19
22	Upgrade emergency response planning to deal with emerging intensive climate change events beyond current preparedness levels	2	3	3	2	2	1	2	3	suitable	18
23	Apply the living shorelines approach (LSA) which uses natural vegetation, sand and some rock to protect shorelines and habitat	2	3	3	3	2	1	1	3	Suitable	18
24	Hard defences, flood reservoir (e.g., sea walls) (risks affecting local ecosystem processes and/or local livelihoods),	2	3	3	3	2	1	1	3	Suitable	18
25	Improve Safety at sea, promote vessel monitoring and locating devices	2	2	3	2	2	1	1	3	Suitable	16
26	Review resettlement plans of coastal communities from a climate change perspective	1	1	3	2	1	3	3	2	Suitable	16
27	Access higher-value markets; shift/widen targeted species or increase fishing capacity/effort	2	3	1	2	2	2	1	3	Suitable	16
28	Link local, national and regional policies and programmes as CC affects sectors in and in between countries e.g., fish displacement/migration	2	2	2	3	2	1	2	2	Suitable	16

### 4.3 Prioritizing adaptation options

When it comes to selecting and prioritising appropriate adaptation options for implementation, a prudent approach begins by recognising that there are several viable options and their combinations for effective adaptation. Some of them will be better suited to minimise the risks associated with implementation even in the face of associated uncertainties regarding the risks and benefits. These options are referred to as:

- "No-regrets adaptation options" that are worthwhile whatever the extent of future climate change will be;
- "Low-regrets options" that are adaptive actions for which the associated costs are relatively low and for which the benefits, although primarily realised under projected future climate change, may be relatively high;
- "Win-Win options" are adaptation actions that deliver the desired result in terms of minimising the climate risks or exploiting potential opportunities but also have significant contribution to another social, environmental or economic goal;
- "Flexible or adaptive management options" are those options that can be adjusted easily (and with low cost), if circumstances change compared to the projections made initially; or,
- "Multiple-benefit options" provide synergies with other goals such as mitigation, disaster risk reduction, environmental management or sustainability (e.g., ecosystem-based approaches usually provide such multiple benefits).

## 5. Implementation and Monitoring

The TAA will be implemented by IDEPA, through the PMU with oversight from Environmental, Social and Climate Safeguards Specialists in conjunction with the National Institute of Disaster Management (INGC) and MITA. IFAD country and regional team will provide guidance support throughout the duration of the project. The sub-projects will customise and update the TAA as part of project preparation documents for review by the PMU.

Monitoring will be carried out with the following objectives:

- To track performance of activities undertaken during the development of an adaptation plan (e.g. stakeholder engagement activities).
- To track pre-identified risk thresholds/trigger levels which identify when new adaptation actions should be undertaken and
- To determine whether planned outputs and outcomes from adaptation actions have been achieved.
- To determine whether changes should be made in terms of adding/removing the action(s) or adjusting in line with the prevailing environment
- To determine whether the actions are incurring any unanticipated side effects

Monitoring is critical in ensuring the long-term success of climate adaptation initiatives, plans and actions. Monitoring and evaluation help demonstrate accountability and commitment of implementation agencies and other stakeholders. This is important for leveraging continued community support for adaptation initiatives, and for demonstrating that taxpayer and investor funding has been spent wisely.



## 6. Costs and Budgetary Considerations.

The adaptation options will not be implemented in isolation but will be integrated in the main PROPEIXE activities including specific hardware systems and supplies that may be required. Thus, the budget given below will only serve the purposes of creating an enabling environment for climate adaptation measures.

Proposed Implementation, Supervision and Monitoring Budget for Adaptation Options (Included also in the ESCMF **Volume I** Implementation Budget)

**Table 6: TAA Implementation Budget (Also included in the Main ESCMF Implementation Budget)**

No.	Activities	Estimated Budget USD
<b>Training, Supervision and Monitoring,</b>		
1	Stakeholder Engagement meetings and workshops	100,000
2	Training of national, provincial and district staff	100,000
3	Training of Extensionists (once every year in all 4 regions)	100,000
4	Community Awareness and training programmes	70,000
5	External Monitoring of TAA (technical audit) at national and sub-projects level	100,000
6	Investment in research of new technologies and approaches for climate adaptation	250,000
7	Environmental Safeguards Specialist (technical support)	Main Project
8	Social and Gender and Safeguards Specialist (technical support)	Main Project
9	International safeguards expert (advisory support)	Main Project
	<b>Total</b>	<b>USD 720,000</b>

## **Mozambique**

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### **Artisanal Fisheries Resilient Development Project**

### **Project Design Report**

### **Annex: Annex 5.3 - Security Management Plan**

Mission Dates: 22 May – 09 June

Document Date: 25/10/2023

Project No. 2000004008

Report No. 6599-MZ

East and Southern Africa Division  
Programme Management Department





GOVERNMENT OF MOZAMBIQUE

## SECURITY MANAGEMENT PLAN

*For*

### Artisanal Fisheries Resilient Development Project (PROPEIXE)



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## List of Acronyms

ESCMF	Environmental, Social and Climate Management Framework
GoM	Government of Mozambique (GoM)
ICoCA	International Code of Conduct Association
MIMAIP	Ministry of Sea, Inland Water and Fisheries
PRM	Police of the Republic of Mozambique
PROPEIXE	Artisanal Fisheries Resilience Development Project
RDF	Rwandan Defence Forces
RTA	Road Traffic Accidents
SAMIM	SADC Mission in Mozambique
SERNIC	Criminal Investigation Services
SMP	Security Management Plan
SOC	Serious and Organised Crime
VE	Violent Extremists

## 1. Introduction

This Security Management Plan (SMP) was prepared for the Artisanal Fisheries Resilience Development Project (PROPEIXE) as part of the broader Environmental, Social and Climate Management Framework (ESCMF) developed for the Government of Mozambique (GoM) with support from IFAD.

The SMP was prepared with the objective of assessing and identifying the potential security risks that could potentially threaten the safety and security of the PROPEIXE project workers, beneficiary community and other stakeholders in the project intervention areas. The security risks are likely to impact project implementation and therefore there is need to do a careful analysis and develop risk management procedures focusing on risk reduction. Some situations however, may have limited options and may require risk avoidance and/or acceptance coupled with effective and efficient monitoring throughout project implementation. The areas of concern include Cabo Delgado and Nampula that are affected by terrorism and political violence as a result of violent Jihadist extremism that started off in Cabo Delgado. Whilst other implementation provinces are not directly affected, the insurgency in the north has resulted in increased number of internally displaced persons (IDPs) fleeing from the unrest thereby triggering and escalating other security risks such as violent crimes, theft, sexual abuse and illegal trade. Mozambique is a high-risk country in terms of natural disasters especially cyclones, tropical storms and droughts and as such this SMP assessed associated risks on staff, communities, infrastructure and the general environment. The SMP also assessed other security risks which are likely to affect the project such as road traffic accidents and kidnapping.

The specific objectives were as follows:

- To identify, evaluate, and prioritize potential security risks and impacts likely to affect the safety and security of the project, project staff and beneficiary community
- To determine appropriate security arrangements and
- To propose mitigation measures and security management plan for the identified security risks and impacts related to PROPEIXE.

Both primary and secondary data were used for the preparation of the document. Secondary data such as review of national and regional legislation and regulations pertinent to the assignment and Security Risk Assessment and Management Plan carried out by other countries were informative and useful for the preparation of this SMP. Applicable SECAP Standards especially standard 5 and 6 were reviewed for the preparation of this SMP. Primary data included observations and consultations made during the data collection exercise carried out during the preparation of the ESCMF.

The SMP was prepared to provide guidance required to develop specific area assessments during implementation. MIMAIP through the PMU will be responsible for the revision or updates of this SMP during the course of the project. Contractors and service providers will be responsible for implementation and monitoring of the SMP.

## **2. Description of the Programme**

### **Introduction**

The Government of Mozambique (GoM) with support from IFAD, is preparing the Artisanal Fisheries Resilience Development Project (PROPEIXE) which will support artisanal fisheries by enhancing community co-management, conservation and restoration of ecosystems and biodiversity. The project will be implemented in selected fishing communities across five provinces of Mozambique and will be designed to be gender transformative, nutrition sensitive and climate focused. The Ministry of Sea, Inland Waters and Fisheries (MIMAIP) will be responsible for coordination and operational management with fiduciary and safeguard responsibilities. The total cost of PROPEIXE is estimated at US\$60 million over a seven-year period.

### **Project Description**

The PROPEIXE goal is to sustainably increase the incomes, nutrition and food security by addressing the main barriers to sustainable production and marketing for artisanal fisheries. The Project Development Objective (PDO) will be to “increase the sustainability of fishery value chain returns, by promoting responsible fisheries, community conservation and restoration of ecosystems and biodiversity, while also supporting fishery community resilience through diversification of livelihoods”.

PROPEIXE will aim to achieve the impacts of sustainably increased incomes, nutrition and food security by addressing the main barriers to production and marketing for artisanal fishers. These are but not limited to limited access to support services and infrastructure, inadequate equipment for production, processing and conservation, weak mechanism for sustainable management, outdated fleet, vulnerability to climatic shocks, remote location of fishing zones, poor roads, poor market linkages and difficulties in accessing financial and insurance services.

The project will address these barriers through support to production, in the form of upgraded fishing equipment, technology and infrastructure. The project will support enterprise development and formation of mutually beneficial Public-Private-Producer Partnerships (4Ps) as a way of supporting the profitable sale of increased production. The 4Ps will also create backwards linkages to further support production as well as construction of markets and market-linking climate smart and climate resilient infrastructure. PROPEIXE will also promote livelihood diversification, climate insurance, and the use of renewable energy. The project objective will be met through three interlinked components as follows;

#### **Component 1: Resilient Artisanal Fisheries and Ecosystem Management**

The outcome will be increased resilience of the artisanal fishery, through two main proposed outputs:

#### **Component 2: Inclusive Fisheries Climate Resilient Value Chain Development and Livelihood Diversification**

The outcome is improved economic resilience and profitability of artisanal fisheries and local livelihoods.

#### **Component 3: Institutional strengthening, project management and policy initiatives**

The outcome will be improved public sector support for the long-term sustainable development of the artisanal fishery sector.

### **Targeting**

The artisanal fisheries interventions will cover fishing communities along the coastline, targeting mainly households who are poor and on the fringes of the market economy, with high vulnerability due to the impact of climate change. The main target group consists of small-scale fishers engaged in artisanal fishery (production level) and other sector along the value chain (e.g., processing, marketing



and service provision) deriving most of their income from fish production and post-production at different scale, from subsistence to market oriented. The project will also target community organizations and businesses including transformation drivers. In addition, the project will have a focus to target specific vulnerable groups such as women, youth, Persons with Disability (PWD) and Internally Displaced Persons (IDPs) in the Northern Provinces.

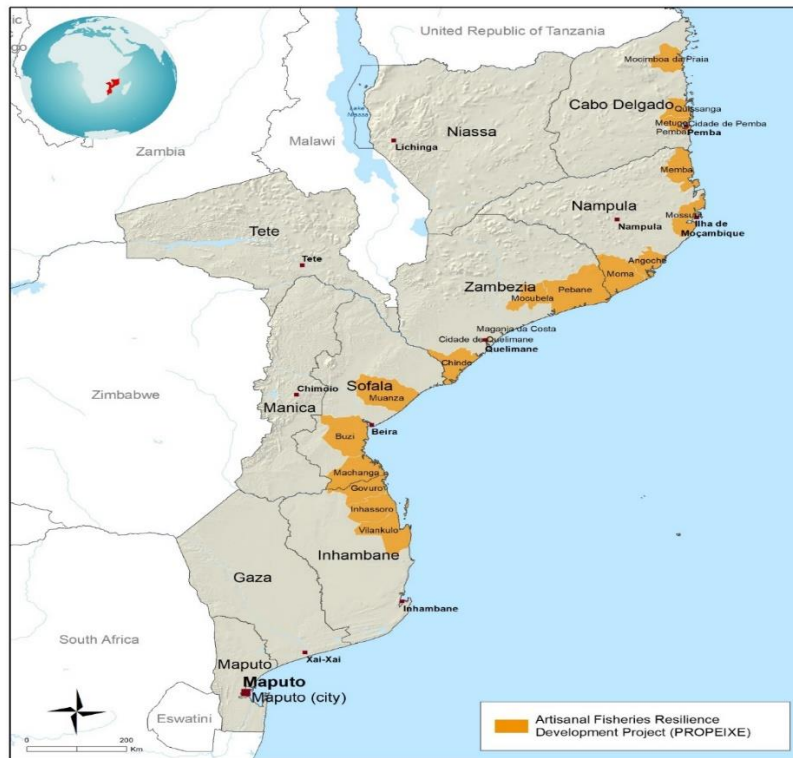
PROPEIXE project will be implemented in the coastal rural areas of five provinces of Mozambique which are Inhambane, Sofala, Zambézia, Nampula and Cabo Delgado and a total number of 21 districts.


**Table 1: Project Implementation Areas**

<b>Region</b>	<b>Province</b>	<b>Districts</b>	<b>Target Population</b>
Southern	Inhambane	Govuro, Inhassoro, Vilankulo	1,581.113
Central	Sofala	Buzi, Machanga, Muanza	2,651.029
Central	Zambezia	Chinde, Maganja da costa, Mocubela, Pebane, Quelimane	5,959.123
Northern	Nampula	Angoche, Ilha de M., Memba, Moma, Mossuril	6,599.812
Northern	Cabo Delgado	Cidade de pemba, Metuge, Quissinga, Mocimaba. Praia	2,744.822

Mozambique occupies an area of 800,000 km<sup>2</sup> stretching almost 2,000 km from north to south, with around 2,700 km of coastline along the south-western edge of the Indian Ocean with an approximate total number of 32,08million inhabitants<sup>1</sup>.

<sup>1</sup> <http://datatopics.worldbank.org/world-development-indicators>



 The designations employed and the presentation of the material in this map do not imply the expression of any opinion whatsoever on the part of IFAD concerning the delimitation of the frontiers or boundaries, or the authorities thereof.  
Map compiled by IFAD | 28-06-2023

**Figure 1: Map of the Project Area**

### **Institutional Arrangements**

The Ministry of Sea, Inland Waters and Fisheries (MIMAIP) is the organ of the Government responsible for the fisheries sector. As such, it will be responsible for policy and legislative initiatives, for promoting any institutional adjustments in the fisheries administration and for overseeing the project. Nevertheless, the coordination and management of the project will be delegated to the IDEPA which will assign to a Project Management Unit (PMU) the responsibilities of programming, budgeting, and allocation of resources, monitoring and providing information for the evaluation of the project. The central departments of IDEPA will need to ensure that the project implementation reflects the objectives defined by the Government for the sector. The implementation will be carried out in conjunction with the IDEPA’s provincial delegations in the provinces where the activities take place. In addition, the MIMAIP will coordinate with other government agencies that participate in the implementation of the project.

The PMU will be established and composed of the following key positions: Project Coordinator, Financial Manager, Procurement Officer, M&E Officer, Social Inclusion Officer and KM Officer. The PMU will also include the assistants, and support staff (administrative assistant and drivers). Apart from these officers, a team of four technical specialists and INFRAPESCA, composed by the following positions: Environment and Climate Change Technical Specialist, and Fisheries Technology Specialist, VC and Marketing Specialist, that will be incorporated in the different IDEPA Departments, and Rural Infrastructure Technical Specialist, to be based in INFRAPESCA. This technical team will combine support for implementation of project activities with training/capacity building for the different IDEPA departments and INFRAPESCA.

To facilitate PROPEIXE’s effective management and coordination across the provinces, the project will use the existing capacity of the IDEPA, ADNAP, INAMAR, INIP and InOM provincial delegations to reach

out to district level and local beneficiaries. The PMU will be responsible for the day-to-day management and supervision of the project, under the leadership of a Project Coordinator.

A Project Steering Committee (PSC) will be established to provide the oversight function chaired by the Permanent Secretary of the Ministry of Sea, Inland Waters and Fisheries and composed of members from institutions with direct relevance for the achievement of PROPEIXE objectives within MIMAIP and other sectors (e.g., MEF, MOPHRH, MIREME, MTC, MTA, etc.) and representatives of the fishermen/women (CCPs), and the private sector (CTA). Provincial PSCs (PPSCs) will be established; they will be led by the Provincial Governor and their composition and tasks will mirror those of the PSC.

In addition to these institutions, the project has partnerships with institutions from other sectors of the state administration, which play an important role in the pursuit of the project's objectives: (i) ANE for the implementation of road rehabilitation activities that connect the centers of fishing to the remaining district network from which they connect with the destination markets for fishery products, and (ii) the EDM that implements the activities of extending the national public network to fishing centers and fishing communities, and (iii) the FUNAE that installs energy production systems in fishing infrastructures located in remote places. In addition, INAM will support the EWS and INGD the communities' preparedness and disaster management.

### **3. Security Context and Risk Assessment**

#### **3.1 National and Regional Security Context**

Mozambique is currently facing one of its most difficult security challenges since gaining independence in 1975 at a time the country was supposed to be going under a peaceful democratic transition.

##### **Political Splinter Groups**

Despite the Peace talks between the ruling party Frelimo (Frente de Libertação de Moçambique) and the main opposition, Renamo (Resistência Nacional Moçambicana), which resulted in a significant reduction of violence since 2016 and the signing of a permanent ceasefire in August 2019, Renamo's transition from an armed movement into a political movement, similarly to Mozambique's transition from war to peace, has not yet fully materialized. Tensions have remained due to armed activity by a Renamo breakaway movement and a slow demobilization process. The breakaway factions are seemingly opposed to the peace deal and have caused clashes, vehicle ambushes on highways, armed banditry and attacks on development personnel in the rural areas. This has impeded stability efforts in the country especially in the central and northern region. and peace remains precarious.

##### **Structural Inequalities and Social Differences**

Northern Mozambique can be described as a region experiencing the effects of north-south structural inequalities, extreme violence (specifically in parts of Cabo Delgado) and crime, while holding massive resource potential. However, a large percentage of the population of the northern provinces have suffered and have not benefitted, from their natural resources because of the criminal actions, elite capture, and violent extremists. Niassa, Cabo Delgado and Nampula are home to two large conservation areas covering several districts and other smaller ones including marine and lacustrine conservation area, forests with valuable hardwoods, gemstones and mineral-rich geological seams, various small airports and airstrips, a medium-sized port in Pemba and a deep-water port in Nacala, along with hundreds of small marinas and landing beaches along a poorly monitored coastline. The conditions provide favourable environment for illicit trafficking and as such the region faces serious organized crime, corruption and conflict leading to significant humanitarian distress and community level exclusion.

The ineffectual management and, in many cases, deliberate exploitation of resource potential of the northern provinces by local cartels has resulted in illicit trade, ranging from:

- Wildlife poaching/trafficking (Cabo Delgado and Niassa)
- Illegal timber export (Niassa and Nampula)
- Drug trafficking (Cabo Delgado and Nampula)
- Illegal artisanal mining (Cabo Delgado and Niassa)
- Human trafficking (Cabo Delgado and Nampula)
- Illegal fishing (Cabo Delgado and Nampula)

##### **Serious and Organized Crime (SOC)**

Mozambique ranks 21<sup>st</sup> out of 193 countries globally and 2<sup>nd</sup> in Southern Africa on Serious and Organised Crime. The impact of organized crime has encouraged corruption and undermined state legitimacy, provided livelihoods and local investment where the lawful economy has not, and kept borders porous and the coastline unmonitored. It is likely that influential (including some political) figures and their elite criminal associates have openly benefited from both the licit and illicit extraction of natural resources, while local communities have often been punished for their involvement in informal illicit economies and denied the benefits of formal investment and

economic growth. A significant element of SOC is a heroin-trafficking economy, highly developed in Cabo Delgado and Nampula, which combined with wildlife exploitation, human trafficking, illegal timber, and gemstone smuggling (facilitated by corruption and an attitude of indifference) has played a vital role in the breakdown of law and order and been a major driver of violent extremism in Cabo Delgado<sup>2</sup>.

**Table 2: Criminality Score (source: Global Organised Crime Index)**

<b>Crime</b>	<b>Criminality Score /10</b>
Criminal Market	6.05
Human Trafficking	4.00
Human Smuggling	5.00
Arms Trafficking	5.50
Flora Crimes	8.00
Fauna Crimes	8.00
Non-Renewable Resource Crimes	8.00
Heroin Trade	7.50
Cocaine Trade	3.50
Cannabis Trade	4.00
Synthetic Drug Trade	7.00
Criminal Actors	7.00
Mafia-Style Groups	3.50
Criminal Networks	8.00
State-Embedded Actors	9.00
Foreign Actors	7.50

### **Kidnapping and Abduction**

There are several motives behind kidnappings and abductions across all the provinces:

- kidnap for extortion of members of the business community
- kidnap for extortion by VE of foreign nationals (although this has been limited to only 2-3 cases in three years)
- abductions of civilians, sometimes numbering in their hundreds and mostly women and children, by VE to use as camp workers, wives, and child soldiers.

### **Violent Extremism**

Since 2017, violent conflicts have been taking place in some districts of Cabo Delgado Province, which have intensified since December 2020, mainly in late March 2021, following the attack on the village of Palma. These attacks were rooted in local grievances and apparently triggered by cells of extremist Islamic groups, linked to a radical Islamic religious group (locally known as *Al-Shabaad*), which progressively became an armed group. There will have been an exploitation of the perception of inequality and social, economic and political exclusion, through the construction of an anti-state narrative aimed especially at young people. The recruitment of young people, with promises of financial compensation and better living conditions, spread through a complex network, covering not only Cabo Delgado, but also the provinces of Niassa and Nampula<sup>3</sup>

Violent attacks, initially directed at State institutions and representatives, began to spread to local communities, with the destruction of villages, violent deaths and serious violations of human rights, with kidnappings and cases of gender-based violence. Although the situation was contained

<sup>2</sup> Mozambique's Interpol National Central Bureau

<sup>3</sup> Forquilha, S. Pereira, J. After All, it's not just Cabo Delgado! Insurgency Dynamics in Nampula and Niassa. IESE, March 2021

with help from some African countries and Russia, tensions are very high and the likelihood of the situation repeating itself is high due to the strong attacks that took place in Palma in March 2021. Mocimboa da Praia, Macomia, Quissanga, Palma and Nangande districts in Cabo Delgado have all been severely impacted by the insurgency with villages and towns depopulated and in ruins, hundreds of thousands of people internally displaced, and thousands of fatalities<sup>4</sup>. Reports of human rights abuses during the response actions by the local army were reported which caused a further rift between communities and government, a situation which has been further exploited by the Violent Extremists (VE) to recruit young men in Cabo Delgado, and, to a lesser extent, in Nampula and Niassa based on the sense of hopelessness and feeling of alienation<sup>5</sup>.

### **Internally Displaced Persons**

The conflict in Cabo Delgado has created a precarious situation in northern Mozambique with over 800,000 internally displaced persons (IDPs) (as of February 2021). The majority of those have been temporarily relocated in relatively peaceful districts in Cabo Delgado or in Nampula. Relocation has not been an easy process and considerable challenges have arisen for IDPs and local communities who host them. The host communities view the IDPs as a security risk (potential insurgent infiltrators) or a burden on already stretched resources and infrastructure. Healthcare and sanitation infrastructures in IDP camps are reportedly dire and reports of cholera outbreaks have been recorded. Crime has also increased due to scarce resources. Food insecurity is also a major concern, with a large proportion of IDPs suffering from malnutrition. Educational facilities are also extremely limited and there is a real risk that children will be left without any education due to lack of resources.

Reports of human trafficking and sexual abuse against female IDPs have been made. Young girls have been forced by their families to marry prominent local men to secure subsistence. Women have also suffered rape and sexual abuse in IDP camps, with some of these assaults perpetrated by the security agents. Difficult socio-economic conditions for IDPs and low-level human rights abuses against them might alienate already marginalized communities and push them to embrace violent extremism- thus further fueling the conflict.

Multinational military operations in Cabo Delgado, involving Rwandan Defence Forces (RDF) and subsequently regional forces as part the SADC Mission in Mozambique (SAMIM), have dramatically changed the security environment since initiation in 2021. However, although these military developments are considerable, the main threat of the violent extremist organization has yet to be addressed as VEs have mostly withdrawn to concealed rural areas and there is high risk of the insurgency being introduced to areas previously not affected and most likely PROPEIXE districts. Other VEs have left for their home areas in neighbouring provinces, with some merging back into local communities and it is yet to be established whether they will be able to maintain peace or not.

Furthermore, the internationalisation of the northern conflict may make foreign personnel and assets direct targets of VE - an escalation from collateral targets. Soft targets, such as provincial capitals may also become areas for terror tactics.

### **Civil Unrests**

Reports have been made of disputes between communities and agricultural initiatives/implementing agencies in Nampula. There has been also an increase of violence risk

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<sup>4</sup> Amnesty International; "What I saw is death": War crimes in Mozambique's forgotten cape, March 2021, <https://www.amnesty.org/en/documents/afr41/3545/2021/en/>; Also: <https://www.amnesty.org/en/location/africa/southern-africa/mozambique/report-mozambique/> also: <https://www.hrw.org/world-report/2021/country-chapters/mozambique>;

and threat to life emanating from labour disputes and grievances against foreigners because of recent troubles with international mining companies. Some local communities have the propensity to create disturbances and riots, in protest of a lack of basic services, but also because of inter-religious frustrations between Muslim and non-Muslim communities. Civil unrests often result in death and injury because of rapid escalation. However, in Cabo Delgado, where the FDS presence is significantly greater in number, low-level instances of civil unrest are contained far quicker than in neighbouring provinces.

### Environment & Infrastructure

The rainy season between November and April often sees roads become impassable due to flooding. The Indian Ocean cyclone season occurs between November and April. Cyclones can damage critical infrastructure and cause fatalities. The provinces with the highest incidences of cyclone occurrence are Nampula, Inhambane Zambezi and Sofala in the center. All these provinces are in within the PROPEIXE project area. Tropical cyclone Dineo in 2017 affected approximately 550,000 people, and more than 33,000 homes were completely destroyed. In 2019, in short sequence, two cyclones made landfall in March and April. In Mozambique alone, cyclone Idai killed more than 600 people and left an estimated 1.85 million people in need. Cyclone Kenneth was the strongest tropical cyclone ever to hit the African continent and left about 374,000 people in need. Together, the two 2019 cyclones caused damages and losses in the country amounting to an estimated US\$3 billion. In 2022, Cyclone Freddy destroyed over 132,000 homes, leaving more than 640,000 people homeless damaged over 1,017 schools and over 5,000 kilometers of roads. Coastal areas are the most affected and these are the targeted PROPEIXE population.

Table 3: Cyclone history since 2019

Year	Cyclone	Category	Wind Speed	Affected Regions
2023	Freddy (Mar)	3	max. 183 km/h	Zambézia, Tete
2023	Freddy (Feb)	5	max. 256 km/h	Inhambane
2023	Cheneso	1	max. 148 km/h	Nampula
2022	Jasmine	Tropical storm	max. 100 km/h	Nampula, Zambezia
2022	Gombe	3	max. 183 km/h	Nampula, Niassa, Tete
2022	Ana	Tropical storm	max. 93 km/h	Nampula, Tete
2021	Iman	Tropical storm	max. 87 km/h	Nampula
2021	Guambe	2	max. 161 km/h	Gaza, Inhambane, Sofala
2021	Eloise	2	max. 157 km/h	Nampula, Zambézia Sofala, Gaza

Risks posed by fire are exacerbated by generally poor fire safety and construction standards. Poor infrastructure may hinder emergency response to fires, particularly outside of major urban centres.

### Road Traffic Accidents (RTA)

Accidents are common across the provinces due to generally poor infrastructure and poor driving and vehicle maintenance standards. Police emergency response, access to fuel and vehicle recovery services are limited outside major urban centres.

### Medical

Medical facilities are limited, particularly outside of Maputo, and often provide only basic care. In the event of a medical emergency, international evacuation is likely. There is a high risk of transmission of Malaria and Dengue

### 3.2 Risk Assessment

#### Risk Rating

Rating	Risk Level Description
	Ongoing operations are unsustainable and projects may be suspended for indefinite periods. Travel into a Black area is only allowed in exceptional circumstances (critical programming or staff evacuation). This stage is declared by MIMAIP through the PMU in consultation with the Steering Committee. If the risk is country wide, all international staff should be evacuated and national staff relocated to the safest area within the country.
	Only essential operational travel should be considered and operations may be suspended at short notice. This stage is declared by the Project Coordinator in consultation with MIMAIP. The Project Office must temporarily relocate all non-essential staff to safe areas & and be prepared to hibernate operations. If the risk is country wide, non-essential international staff and dependants should be prepared to evacuate at short notice. National staff should be given the opportunity to relocate to home, or safe, areas.
	There must be specific planning to mitigate identified security threats; there may be strict operational and travel restrictions on staff at times. Travel into the country may be restricted for a period of time. Essential staff have been identified and some non-essential staff may be relocated from affected areas.
	Standard Operating Procedures (SOP's) are in place to manage security and there may be some operational and travel restrictions placed on staff.
	Normal security precautions for operations and travel are required.

Threat Type	Province	Likelihood	Impact	Risk Level
<b>1. Political Violence from Breakaway groups</b>	Inhambane	Not likely	Severe	Low
	Sofala	Likely		Medium
	Zambezia	Likely		Medium
	Nampula	Likely		Medium
	Cabo Delgado	Likely		Medium

Violence by RENAMO breakaway factions continues despite permanent ceasefire arrangement.

Threat Type	Province	Likelihood	Impact	Risk Level
<b>2. Violent Extremist Armed Attack</b>	Inhambane	Not likely	Severe	Medium
	Sofala	Likely		Medium
	Zambezia	Likely		Medium
	Nampula	Likely		High
	Cabo Delgado	Likely		High

While the likelihood of the spread of violent extremism is most likely in Cabo Delgado, and Nampula, there is a higher chance that VE may shift their geographical focus of operations as a result of IDPs resettling across the other peaceful districts. It is the resettlement of IDPs that makes the likelihood of violent extremist armed conflict *likely* across all the provinces. Increasing resentment from IDPs as a result of involuntary resettlement from their traditional locations and



resistance by natives is likely to trigger intra- and inter- community conflict causing splits in communities and family groups and providing opportunities for radicalization of youth and violent extremism.

Threat Type	Province	Likelihood	Impact	Risk Level
<b>3. Serious and organized Crime</b>	Inhambane	Not likely	Severe	Low
	Sofala	Likely		Low
	Zambezia	Likely		Low
	Nampula	Highly Likely		High
	Cabo Delgado	Highly Likely		High

Criminality in Pemba (Cabo Delgado) is significant with narcotics, kidnapping, and robberies being the most common crimes. IDPs in Pemba can also be source of risk, with high levels of crime reported in areas where they have been relocated. Montepuez (Cabo Delgado) remains a haven for SOC because of the illegal ruby trade. In Mecufi, there is evidence that travel to Chiure is becoming increasingly dangerous with uncorroborated reports of ‘bandits’ stopping travellers asking for bribes. In Nampula town, the risk of violent crime is very high compared to rest of the province. The neighbourhoods of Namicopo, Namutequeliua and Mutauanha are worst for robberies and attacks, both in the home and on the streets. Narcotic trade is also prevalent in the city, with clashes between different factions and FDS often leading to fatalities. Women and girls displaced from Cabo Delgado have been trafficked or forced into marriage by their families to secure subsistence. Rape and sexual assaults are commonplace. Kidnapping, for extortion of mid-level and prominent businessmen, conducted by SOC groups is also prevalent.

Threat Type	Province	Likelihood	Impact	Risk Level
<b>4. Kidnapping and Abduction</b>	Inhambane	Not likely	Severe	Low
	Sofala	Likely		Low
	Zambezia	Likely		Low
	Nampula	Likely		Medium
	Cabo Delgado	Likely		High

### **Kidnapping**

Instances of kidnap for ransom by criminal groups are increasing, particularly in Maputo. Although these have predominantly targeted local business people and their families, foreign nationals once their routines are known have also been targeted.

Threat Type	Province	Likelihood	Impact	Risk Level
<b>5. Theft and petty crimes</b>	Inhambane	Not likely	Severe	Low
	Sofala	Likely		Low
	Zambezia	Likely		Low
	Nampula	Likely		Low
	Cabo Delgado	Likely		Low

Theft and petty crime is widespread throughout the provinces, and often involves corrupt military, security, or law enforcement personnel. Private security personnel have also been found responsible for facilitating low-level criminal activities. Despite the prevalence of this threat type, the impact is minor and easily mitigated.

Threat Type	Province	Likelihood	Impact	Risk Level
<b>6. Road Traffic Accidents</b>	Inhambane	Not likely	Severe	Low
	Sofala	Likely		Low
	Zambezia	Likely		Low
	Nampula	Likely		Low
	Cabo Delgado	Likely		Low

Road traffic accidents (RTAs) are prevalent in the northern provinces of Mozambique, and across the country. Mass casualties from RTAs involving buses and coaches are most common, with high-speed travel, poor road surfaces and inadequate maintenance of vehicles being the main causes behind the accidents. Whereas RTAs related to project implementation are highly likely, the overall risk level is still low given the negligible impact.

Threat Type	Province	Likelihood	Impact	Risk Level
<b>7. Civil Unrests</b>	Inhambane	Not likely	Moderate	Low
	Sofala	Not likely		Low
	Zambezia	Not likely		Low
	Nampula	Likely		Low
	Cabo Delgado	Likely		Low

Unrest can occur spontaneously in response to socio-economic and political developments. Police response can be heavy-handed which is likely to escalate the situation.

Threat Type	Province	Likelihood	Impact	Risk Level
<b>8. Cyclones, floods and tropical winds</b>	Inhambane	Highly likely	Severe	High
	Sofala	Highly Likely		High
	Zambezia	Highly Likely		High
	Nampula	Highly likely		High
	Cabo Delgado	Not Likely		Low

Mozambique's geographical positioning makes it prone to cyclones and tropical storms. There is a high probability that the country will be hit by cyclones during the course of the project and the coastal areas where the project will be implemented will be the most affected.

Threat Type	Province	Likelihood	Impact	Risk Level
<b>9. Medical</b>	Inhambane	Not likely	Moderate	Low
	Sofala	Likely		Medium
	Zambezia	Likely		Medium
	Nampula	Likely		Medium
	Cabo Delgado	Likely		Medium

The likelihood of outbreaks such as COVID-19 is very high.

## 4. Security Management Plan

This section looks at the key risks identified that require significant mitigation for all areas and activities relating to the PROPEIXE.

Threat	Mitigation Approach	Risk Mitigation and Management	Responsible Agency	Implementation Period
<b><i>Violent Extremist Armed Attack</i></b>	<b><i>Risk Avoidance / Monitor:</i></b>	<ul style="list-style-type: none"> <li>- Local knowledge of the operational context must be maintained by staff at all times. The Project implementing teams should be able to seek information from other actors and agencies in and around the area.</li> <li>- Emergency and relocation plans should be made available to all staff and appropriate training conducted. All staff should adopt a low profile, to include the choice of appropriate vehicles, dress, activities and equipment.</li> <li>- Conduct daily reviews of the locations and activities relating to violent extremism in the context of the Project to enhance understanding of the rapidly evolving nature of the conflict.</li> <li>- Adopt a strict out-of-bounds / no-go areas approach to locations where violent extremism is likely</li> <li>- In the event risk levels in Cabo Delgado or other provinces rise to “Unacceptable” due to VE operations, project activities in the affected area are to cease, and immediate evacuation to a safe area is to be conducted for all project personnel. Return to the project site should be subject to subsequent assessment.</li> </ul>	<ul style="list-style-type: none"> <li>- IFAD Country Office</li> <li>- MIMAIP</li> <li>- PMU</li> </ul>	Continuous
<b><i>Criminal Aggression, Armed Robbery, Extortion and SOC</i></b>	<b><i>Acceptance</i></b>	<ul style="list-style-type: none"> <li>- Conduct close third-party monitoring of all areas where project engagement is likely to interface with criminal aggression and SOC. Ensure government and FDS are kept apprised of all indicators of SOC.</li> <li>- Develop a communications strategy that alerts communities of the dangers of SOC and what to do if they encounter signs of it.</li> </ul>	<ul style="list-style-type: none"> <li>- IFAD Country Office</li> <li>- MIMAIP</li> <li>- PMU</li> </ul>	- Continuous

	<b>Reduction</b>	<ul style="list-style-type: none"> <li>- Monitor criminal trends and understand the specific criminal risks in detail at each project location.</li> <li>- Ensure close Police of the Republic of Mozambique (PRM) / Criminal Investigation Services (SERNIC) liaison and engage private security in Nampula, and Cabo Delgado PMUs</li> <li>- Private security should be subject to a Code of Conduct and binding agreement on the use of force. Any private security provider should be a member of the International Code of Conduct Association (ICoCA).</li> <li>- Avoid crowded areas, tourist attractions and areas known to frequented heavily by members of the international community.</li> <li>- Be cognisant of the perception of wealth with regards to possessions carried.</li> <li>- Gender safety training should be considered for all staff.</li> <li>- Minimise the amount of valuables and cash carried.</li> <li>- Seek advice from local staff as to local areas considered unsafe.</li> <li>- Be prepared to hand over valuables if challenged in a threatening way.</li> <li>- Consider carrying an imitation "robber" wallet with a small amount of cash to hand over if challenged.</li> <li>- Keep copies of important documents separate from originals</li> </ul>	<ul style="list-style-type: none"> <li>- IFAD Country Office</li> <li>- MIMAIP</li> <li>- PMU</li> </ul>	- Continuous
<b>Kidnap and Abduction</b>	<b>Avoidance (in line with violent extremist attack) / Monitor</b>	<ul style="list-style-type: none"> <li>- Conduct daily reviews of the locations and activities relating to violent extremism in the context of the Project to enhance understanding of the rapidly evolving nature of the conflict.</li> <li>- Adopt a strict out- of-bounds / no-go areas approach to locations where violent extremism is likely.</li> <li>- Engage third-party specialists in conflict analysis to ensure, short, medium, and long-term trajectories are understood, with dialogue and conflict mediation capabilities required to enhance risk reduction in project areas where kidnap and abduction is likely.</li> </ul>	<ul style="list-style-type: none"> <li>- IFAD Country Office</li> <li>- MIMAIP</li> <li>- PMU</li> </ul>	- Continuous
	<b>Reduction / Transfer</b>	<ul style="list-style-type: none"> <li>- Ensure that all PIU personnel are trained in extortion kidnap awareness and avoidance. Appropriate "Kidnap for Ransom" insurance should be</li> <li>- procured for key PIU staff members to transfer risk.</li> </ul>	<ul style="list-style-type: none"> <li>- IFAD Country Office</li> <li>- MIMAIP</li> <li>- PMU</li> </ul>	- Continuous

<p><b>Civil Unrest and Protests</b></p>	<p><b>Reduce</b></p>	<ul style="list-style-type: none"> <li>- Ensure robust liaison with Police of the Republic of Mozambique in all PMU locations to alert of the potential for civil unrest and protests. Maintain a calendar of key dates when large gatherings of people are likely because of historical, religious, political and cultural events, and ensure</li> <li>- all project implementation personnel avoid target areas.</li> <li>- Provide awareness creation on precautionary measures need to be taken during community unrest;</li> <li>- Ensure operational GRM that communities can use to raise their dissatisfaction and ensure that community concerns are addressed in a timely manner</li> <li>- Undertake stakeholder engagement and community dialogues to get the views and concerns of communities as per SEP</li> <li>- Increased vigilance should be implemented during periods of community unrest (avoid all large public crowds, including political gatherings and peaceful protests)</li> <li>- Any event having a potential to change the security situation within the operational areas must be communicated to management so that appropriate steps can be taken.</li> </ul>	<ul style="list-style-type: none"> <li>- IFAD Country Office</li> <li>- MIMAIP</li> <li>- PMU</li> </ul>	<p>- Continuous</p>
<p><b>Theft and Petty Crime</b></p>	<p><b>Reduce</b></p>	<ul style="list-style-type: none"> <li>- Ensure close PRM / SERNIC liaison and engage private security in Nampula and Cabo Delgado.</li> <li>- Private security should be subject to a Code of Conduct and binding agreement on the use of force. Any private security provider should be a member of the International Code of Conduct Association (ICoCA).</li> </ul>	<ul style="list-style-type: none"> <li>- PMU</li> </ul>	<p>- Continuous</p>
<p><b>Road Traffic Accidents</b></p>	<p><b>Risk Reduction</b></p>	<ul style="list-style-type: none"> <li>- Ensure all project drivers are trained in driving techniques in hazardous conditions and the use of vehicle emergency equipment</li> <li>- All vehicles should be thoroughly maintained in road worthy condition</li> <li>- Emergency equipment should be available and serviceable</li> <li>- All vehicles / drivers should also be equipped communications that are operable at all project sites.</li> <li>- Rental vehicles must be late model units and be fit for task—staff should be briefed on what to look for when hiring a vehicle in a remote location</li> <li>- First Aid kits should be in check and training of drivers in advanced First aid should be a priority</li> <li>- The necessary spare parts should be in check and drivers should be</li> </ul>	<ul style="list-style-type: none"> <li>- PMU</li> </ul>	<p>- Continuous</p>

		<p>trained on changing of essential parts of vehicles as and when required</p> <ul style="list-style-type: none"> <li>- Self-Drive authorisation and testing must follow UNDSS guidelines</li> <li>- Medical evacuation plan should be in place for all remote and urban areas</li> </ul>		
GBV/SEA	<b>Avoidance</b>	<ul style="list-style-type: none"> <li>- Induct security personnel on the project 'Code of Conduct and ensure contracted security personnel sign the code</li> <li>- Strengthen treatment and referral pathways for GBV/SEA survivors</li> <li>- Raise awareness on GBV/SEA protocols for the Project</li> <li>- Provide separate ablution facilities for men and women at the workplace</li> <li>- Ensure proper lighting on the compounds</li> <li>- Fully implement sanctions contained in the GBV Action Plan</li> </ul>	- PMU	- Continuous
Medical	<b>Reduce</b>	<ul style="list-style-type: none"> <li>- Project workers should be trained on basic first aid services.</li> <li>- First aid packs must be availed to the site and field visit.</li> <li>- The team has ascertained availability of emergency services in case of medical emergency.</li> <li>- Persons carrying medications have more than enough for the whole trip and appropriate storage means.</li> <li>- The team has self-disclosed to fellow team members relevant medical conditions / history in event unable to recount details themselves.</li> <li>- Records / letters with history / medication in local</li> </ul>	- PMU	- Continuous

In a different context, many of the risks identified in this SMP might call for reinforced physical security measures from public or private security organizations. However, the risk management approaches are focused on measures that seek, where possible, to avoid the engagement of Mozambican law enforcement and security forces. This is because the Mozambique PRM suffers from limited resources, lack of human capacity, and widespread corruption. Police are under-funded, under-staffed, poorly trained, and poorly equipped. Police response is often slow and unreliable, and the quality of service is inconsistent. However, when and where it is deemed necessary to engage PRM / security forces, strict codes of conduct and monitoring are required.

***These are important factors to consider while attempting to manage security risk in Northern Mozambique. Instead, security risk management efforts should focus on strong inter-community communications, dialogue, mediation, third-party monitoring, auditing and reporting.***

## **5. Security Approach**

### **Stakeholder Engagement**

To ensure security, the PMU will work with all relevant stakeholders within and across institution or organization. In this regard, community engagement is a central aspect of a good security program, and good relations with workers and local communities can substantially contribute to overall security. Dialogue with communities about security issues can help to identify potential risks and local concerns and can serve as an early warning system. Besides, PMU and Contractors shall communicate their security arrangements to workers and communities, subject to overriding safety and security needs. In addition, community members should be aware of their ability to make complaints without fear of intimidation or retaliation. Because security personnel often are the first point of contact with community members at the project gates, they should also be informed about their role in community relations and about the grievance mechanism and key issues of concern to local communities. To guide the community engagement for PROPEIXE, a stand-alone Stakeholder Engagement Plan has been prepared. MIMAIP will be responsible to ensure that the PMU works with all relevant stakeholders in the target provinces and districts.

### **Grievance Redress Mechanism**

Furthermore, grievance redress mechanism (GRM) shall be established in the government devolving structure (National, Provincial, Districts). The project-level grievance mechanism shall accept concerns or complaints regarding the conduct of security personnel and that such concerns and complaints, as well as any associated evidence and facts, be promptly documented and assessed and action be taken to prevent recurrence. The responses implemented in response to complaints are monitored and the outcomes communicated to relevant parties, taking into account the need to protect the confidentiality of victims and complainants. Besides, the establishment of functional and accessible Grievance Redress Mechanism (GRM) would help to reduce the risk of community members resorting for protests to draw attention to their grievance in situation where a security response to an incident can in turn create new risks leading to potential escalation.

### **Monitoring**

Regular follow up and monitoring shall be conducted led by the PMU in close collaboration with MIMAIP and other relevant agencies at national, provincial and district level. Findings of the follow up and monitoring will be filled, analyzed, interpreted and reported. In addition, information from the security institutions shall be proactively communicated to project workers, contractors, consultants etc.

Above all, project workers, contractors, consultants shall be oriented on the security precautionary measures required, entrance and exist, code of conduct to be followed whenever there are security risks.

## **Mozambique**

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### **Artisanal Fisheries Resilient Development Project Project Design Report**

#### **Annex: Annex Pdr Detailed Fm Arrangements**

Mission Dates: 22 May – 09 June  
Document Date: 25/10/2023  
Project No. 2000004008  
Report No. 6599-MZ

East and Southern Africa Division  
Programme Management Department







# Detailed FM arrangements in the Project Design Report (PDR)

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## **I. Summary of Financial Management arrangements<sup>1</sup>**

The Lead Programme Agency (LPA) of the project will be MIMAIP. IDEPA is the department within MIMAIP that will be directly responsible for technical implementation of the project and has a history of successful implementation of IFAD projects, including the current one – PRODAPE. There have not been significant concerns with the financial management of IFAD supported projects managed by IDEPA, hence reliance on the institution for effective management of PROEIXE. Day to day running of the project will be delegated to the Project Implementation Unit, which will be comprised of project coordinator, financial management unit, and technical components.

Financial management arrangements will be mainstreamed within Government systems which provide adequate controls. A designated account (DA) will be opened at Bank of Mozambique to receive IFAD funds. DAs will also be opened for other co-financiers' financing as required to ensure full traceability of financial transactions in line with government and donors' requirements. Payments and financial reporting for PROEIXE will be made through the integrated State Financial Management Information System (e-SISTAFE). PROEIXE will maintain a local currency account in e-SISTAFE under the Single Treasury Account (CUT) for the PMU. At the provincial level, the funds will be disbursed to the IDEPA Delegations Single Treasury Accounts for the project.

Some of the capacity constraints that will need to be addressed include full customisation of financial reports from e-SISTAFE to address the financial management requirements, establishment of a project steering committee to facilitate timely approval of AWPBs, opening of designated accounts and operational accounts for each financing facility, and recruitment of finance staff for the project. Recommendations for strengthening financial management of the project and proposed covenants are included in Section VI.

## **II. Project financial profile<sup>2</sup>**

PROEIXE will be financed as follows: IFAD financing is projected at US\$29.3 million (46 per cent of the total project costs). Co-financing from Global Environment Facility (GEF) and Private Sector has been estimated at US\$20.0 million and US\$5.4 million respectively. Potential parallel financing from the Government of NORAD is estimated at US\$3 million. Domestic financing from the Government of Mozambique (GoM) and beneficiary contribution is estimated at US\$5.6 million (61 per cent & 39 per cent respectively). Both GoM and beneficiary contributions are expected to be in kind.

The Government through the Ministry of Land and Environment has formally granted the approval to IFAD to mobilize Global Environmental Facility (GEF) Funds for Least Developed Countries (LDCF) for PROEIXE (USD 20.0 million available for the country). There is also the eventual possibility of discussing potential OFID co-finance for PROEIXE with USD 20.0 million through a semi-concessional loan. Due to the current debt distress, OPEC Fund is considering a waiver to get a more concessional loan. While IFAD, OPEC Fund, MIMAIP and MEF are discussing this option as a potential alternative solution if the preferred GEF financing is not obtained. The project will be implemented using a phased approach geographically, and if the gap is not filled it will be implemented in less regions or some activities will be dropped.

## **III. Implementation Arrangements**

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<sup>1</sup> Normally this summary will be included only in the main design report under Financial / Fiduciary section, Annex 7.

<sup>2</sup> Note that COSTAB and Financing Plan may be finalized at a later date after the design mission. In such cases this section, as well as other relevant information, should be revised and updated by the Finance Officer before the President's Report is presented in Scriptoria for FMD clearance.

The Lead Programme Agency (LPA) of the project will be MIMAIP, and will be under the direct monitoring of IDEPA. IDEPA is an institution/department under MIMAIP with a management structure comprising operations departments, and support departments which include Finance and Administration, IT and Human Resources and Procurement. IDEPA has provincial delegations which have finance staff who will be responsible for financial accounting aspects of the project at the sub-national level. Financial management arrangements will be mainstreamed within Government systems which provide adequate controls. These arrangements will be similar to those of the ongoing PRODAPE project will be adopted for PROPEIXE.

A designated account (DA) will be opened at Bank of Mozambique to receive IFAD funds. DAs will also be opened for other co-financiers' financing as required to ensure full traceability of financial transactions in line with government and donors' requirements. Payments and financial reporting for PROPEIXE will be made through the integrated State Financial Management Information System (e-SISTAFE).

Financial management will be the responsibility of a dedicated finance team within the PMU. The PMU finance team will include a finance manager and at least two accountants to ensure segregation of roles and efficient coverage of the FM function. Staff will be required to have appropriate accounting qualifications and experience in implementing donor-funded projects. Finance staff of IDEPA provincial delegations receiving PROPEIXE resources will be trained by the PMU to ensure that financial reporting is provided from decentralized levels.

#### IV. Financial Management Risk Assessment

Table 1 provides the summary inherent risks of the project based on the assessment conducted through the FMAQ at design template.

**Table 1: Summary of FM Risks and mitigating actions**

Summary	Brief description of issues	Inherent Risk at design H/S/M/L	Agreed Mitigation Measures (covenants precedent to disbursement)	Residual Risk H/S/M/L
<b>Inherent risk assessment pillars</b>				
Country level	The country was ranked 142 <sup>nd</sup> out of 180 countries by Transparency International on corruption perception index, with a score of 26 out of 100 , indicating high corruption perception in the country. Performance against the 2021 PEFA assessment identified low scores related to procurement and external audit, both of which demonstrated lowest compliance on the related indicators.	H		N/A
Entity level	The Lead Programme Agency (LPA) of the project will be MIMAIP, and will be under the direct monitoring of IDEPA. IDEPA has provincial	S		N/A

Annex to the Project Design Report (PDR)

Summary	Brief description of issues	Inherent Risk at design H/S/M/L	Agreed Mitigation Measures (covenants precedent to disbursement)	Residual Risk H/S/M/L
	delegations which have finance staff who will be responsible for financial accounting aspects of the project at the sub-national level. IDEPA has a history of managing IFAD projects in the country including the current project – PRODAPE.			
Project level	Financial management arrangements will be mainstreamed within Government systems which provide adequate controls. These arrangements will be similar to those of the ongoing PRODAPE project will be adopted for PROPEIXE. The proposed financing instruments for PROPEIXE will include IFAD, NORAD, GEF, and Government of Mozambique. The project will be implemented in five provinces and 21 districts, and will involve community based organisations. Funding flow will involve decentralisation of resources to the provincial IDEPA delegations. The existence of multiple funding sources and implementation levels will likely create a complex financial management environment, thus a significant inherent risk.	S		N/A
<b>Control risk assessment pillars</b>				
Organization and Staffing	The LPA has demonstrated sufficient FM organisation and staffing capacity. Accounting staff of the IDEPA are adequately qualified and experienced. The current and past projects have had dedicated finance staff, and there is additional support from the LPA finance team when necessary, especially in relation to approval of transactions through the government systems, and follow up of sub-national FM reporting.	S	Final FM structure of the PMU to be refined and staff recruited within six months of entry into force. Training of all finance staff at national and sub-national level to be conducted within the start-up phase of the project.	S

Annex to the Project Design Report (PDR)

Summary	Brief description of issues	Inherent Risk at design H/S/M/L	Agreed Mitigation Measures (covenants precedent to disbursement)	Residual Risk H/S/M/L
	There is a risk that the staff to be recruited for the new project at national and sub-national levels will not have sufficient knowledge of IFAD FM requirements.			
Budgeting	Budgets for the current IFAD supported project are reasonable. The process of developing the AWPBs is participatory. There have been revisions in the past, which slowed implementation. Approval of the budgets is done by the PSC. Delays in preparation and approval of budgets could significantly affect implementation of the project.	S	Preparation of project AWPBs will be participatory to ensure reasonable/realistic targets for both national and sub-national implementation. Set-up of the PSC should be completed (including selection of PSC members and drafting the relevant TORs) before commencement of the project.	S
Funds flow and Disbursement Arrangements	The project is likely to have multiple financing facilities (IFAD, OFID, GEF, and GoM. This could complicate the treasury arrangements leading to delays in accessing funding, thus adversely affecting implementation of project activities.	S	DA for each financier to the project and corresponding operational accounts in CUT will be opened prior to the first withdrawal. Develop tools during the start-up phase to capture all counterpart contributions by government and beneficiaries.	S
Internal Controls	There are sufficient controls within the government financial systems in Mozambique to effectively manage external funding. Specific to project financing, there hasn't been incidences of government interference with project funds, that would cast doubt on the ability of the project to successfully implement the project. There is a risk that with limited monitoring, the controls in place may not work optimally which could lead to inefficient and inappropriate use of project resources. There is also a risk that internal audit department of IDEPA will not carry out audit reviews of the project, and if carried out, may not have adequate coverage given the multiple implementation levels.	S	Project specific FM policies and procedures to be detailed in the PIM. The new project will be included in the annual plan of the internal audit department. Consideration to be made regarding recruitment of an internal auditor to supplement the efforts of the internal audit department of IDEPA, focusing mainly on the two IFAD financed projects.	S

Summary	Brief description of issues	Inherent Risk at design H/S/M/L	Agreed Mitigation Measures (covenants precedent to disbursement)	Residual Risk H/S/M/L
Accounting and Financial Reporting	The accounting system (e-SISTAFE) allows for proper recording of financial transactions. However, the system is not fully tailored for IFAD financial reporting requirements. The customisation process is ongoing for the current project (PRODAPE) and should be suitable for PROPEIXE as well.	S	Complete the customisation process of e-SISTAFE to suit IFAD financial reporting requirements prior to the first withdrawal.	S
External Audit	The Administrative Court ('Tribunal Administrativo': TA) is the Supreme Audit Institution in Mozambique in charge of the audit of all public institutions and State entities at central, provincial and local levels. Whereas this assessment did not specifically cover the structures of the SAI, the institution has not audited IFAD projects in previous years. There is therefore a risk that TA will not include the IFAD project audit in their work plan and meet IFAD timeliness requirement. However, there is agreement to commence the review of IFAD projects in the country commencing with the financial year ending 31 December 2023.	S	Project to prepare financial statements in compliance with IPSAS cash basis standard. Engage the TA early for inclusion into their external audit plan from the first year of the project.	S
<b>Overall FM Risk @ design</b>		S		S

## V. Financial Management and Disbursement Arrangements

### 1) Financial management organization and staffing

The project will be implemented by IDEPA under which the current project (PRODAPE) is being managed. The staffing complement will mirror that of PRODAPE, comprising of a finance manager and three accountants. However, in order to gain from the experience of the current team in terms of understanding of IFAD FM requirements, a consolidated finance team for both projects, at the national level, comprising of the finance manager and accountants for each project should be considered. The structure is would likely include a finance manager supported by four to six accountants, some of whom may have responsibilities across the projects (e.g., lower level tasks such as posting transactions and bank reconciliations). Each project will have a dedicated senior accountant to support project financial reporting, with the finance manager having the overall responsibility for both projects. Job descriptions of FM staff will be similar to

those of the PRODAPE team. FM staffing at the IDEPA provincial delegations will be achieved through secondment of qualified staff as part GOM counterpart contribution.

## 2) **Budgeting**

Budgets for IFAD projects in Mozambique cover one-year periods and are based on the priorities needed to achieve project objectives. The budgets are prepared based on IFAD guidelines and are in line with the project design document. Budgets are also subject to clearance by IFAD prior to implementation. The process of developing the AWPBs is participatory and is generally led by the project M&E officer and including the technical specialists, procurement officer, and finance staff. AWPB priorities are also based on the PDR and linked to specific geographical areas for each component. AWPBs are reviewed and approved by the PSC prior to submission to IFAD for no-objection.

Project budgets are not integrated into the overall government budget. However, annual allocations for specific projects are included in the national budget based on the financing agreements signed with the funders. These allocations are high level and not as detailed as the annual work plans and budgets. Overall budget control for the project will be handled by IDEPA, through the PMU. The PMU will ensure that project implementation is within the allocated ceilings for each component and category, and that any departures are appropriately authorised. Budgetary allocations to IDEPA provincial delegations will be done at the national level. The provincial delegations will not have authorisation to vary the budget estimates/allocations, neither will they be able to spend beyond the allocated amounts, as a result of the controls within e-SISTAFE.

## 3) **Disbursement Arrangements and Flow of Funds**

A designated account (DA) will be opened at Bank of Mozambique (the country's central bank) to receive IFAD funds. DAs will also be opened for other co-financiers' financing as required to ensure full traceability of financial transactions in line with government and donors' requirements. Payments and financial reporting for PROPEIXE will be made through the integrated State Financial Management Information System (e-SISTAFE). PROPEIXE will maintain a local currency account in e-SISTAFE under the Single Treasury Account (CUT) for the PMU.

IFAD funds will be channelled into a USD designated account maintained at the Bank of Mozambique. The funds will then be transferred into the Single Treasury Account (CUT) managed by Ministry of Economy and Finance, from where the funds are converted into MZN at the prevailing exchange rate on date of conversion. The funds in CUT are managed through coded designated ledger accounts that facilitate traceability of each project's available funds. Each provincial directorate and implementing agency shall maintain a separate account in CUT to receive the project funds from the PMU.

Flow of funds to provincial delegations follows budgetary allocations within e-SISTAFE, a process referred to as funds decentralisation. Once this process is complete, each level of implementation is able to utilise the funds for project activities in line with the agreed work plans and budgets. Implementing partners outside of the LPA (e.g. INOM and ADNAP) will have funds transferred to their bank accounts in line with provisions in the relevant memoranda of understanding (MOUs). Funds flow arrangements for grant resources will include creation of separate ledgers to facilitate traceability of transactions. E-SISTAFE will include account codes to clearly identify the funding source and components/sub-components to which transactions should be charged.

Funds will be disbursed based on the following methods:



a) DA advances: initial deposits and subsequent request for advances based on quarterly cash forecasts included in the interim financial reports;

b) Direct Payment: Direct payment procedures should preferably be used only for payments in excess of US\$100,000.

Procedures for withdrawal of funds will include:

- A first disbursement designated initial deposits based on the limits of the disbursement amounts defined for advance to the Designated/Authorized Allocation Account. These amounts will be paid later to Eligible Expenses.
- Project Coordinating Unit will control the designated account (DA) and will be responsible for requests for replenishment to the designated account, made electronically through the IFAD Client Portal (ICP IFAD) platform.
- In accordance with the instructions contained in the IFAD Manual on Disbursement of Funds (LDH), for the start of the Project, the UCP must prepare the disbursement request of funds from the initial deposits, Withdrawal Application (WA), for each type of financing and send them through the IFAD Client Portal platform (IFAD-ICP). Submission to the ICP is made by one of the subscribers of the project's designated account, duly registered, with an authorised profile.
- The WA is approved by the Bank of Mozambique, through an application note signed by the Director General of IDEPA. Once the approval of the Bank of Mozambique has been obtained, the disbursement request is automatically submitted to the IFAD disbursement sector for due analysis and subsequent transfer of funds to the designated account (DA).
- Funds channelled to the Designated account are subsequently transferred to the Transitory Account (Forex).
- The funds in the FOREX Account are channelled to the Single Treasury Account (CUT).
- The existing funds in the Single Treasury Account and through e-SISTAFE, the financial resources will be made available, on a quarterly basis, to the Provincial Delegations of IDEPA, through the financial programming that will be prepared by each Delegation in accordance with the Annual Work Plan and Budget (AWPB).

From e-SISTAFE, payments to service providers and suppliers of goods recognized by the systems can be made directly. The advance of funds method is used, which consists of a formal request to the MEF (National Directorate of Public Accounting) for authorization to make payments to service providers not registered in the system. This request will be made by the respective delegation.

#### **4) Internal Controls and Internal audit arrangements**

There are sufficient controls within the government financial systems in Mozambique to effectively manage external funding. Specific to project financing, there have not been incidences of government interference with project funds that would cast doubt on the ability of the project to successfully implement the project.

There are sufficient segregation of duties between the initiating department, ordering process, and receiving procedures. There are clear finance policies at the LPA. Additionally, project-specific guidelines are outlined in the PIM.

Internal audit of the project will be conducted by the internal audit department of IDEPA. The IA staff of the LPA possess requisite skills and experience (mainly CPAs/CAs). The IA function is an independent department within the LPA. However, there have been persistent resource constraints in terms of number of staff in the department which has hindered performance of internal audit reviews of the IFAD project. As of 30 June 2023, there had been no internal audit conducted for the existing project, which has been attributed to limited resources with the internal audit department of IDEPA. The project activities to be implemented especially at the sub-national level will require close monitoring to ensure that appropriate controls are put in place and regularly monitored for effectiveness. The role of the internal audit function must therefore be emphasised at national level and in the IDEPA provincial delegations. Additionally, internal audit reviews should also cover review of activities that will be undertaken by other implementing partners, a condition which will be included in the MoUs. Resource constraints at the LPA can be overcome through recruitment of an internal auditor to supplement the efforts of the internal audit department of IDEPA, focusing mainly on the two IFAD financed projects under MIMAIP.

## **5) Accounting Systems and Financial Reporting mechanisms**

The project will use the government accounting system (e-SISTAFE) which is used across all government ministries in Mozambique. The system is used for processing financial transactions incurred by the project at national and sub-national levels, and is integrated across both levels. Payments are also made within the system, through a sub-system known as treasury single account (CUT), which is a module/ledger within e-SISTAFE. No government payment can be paid outside of CUT. The entire e-SISTAFE system is controlled and managed by Ministry of Economy and Finance.

However, the e-SISTAFE system is not fully tailored for IFAD financial reporting requirements. The system lacks project specific chart of accounts, which makes it difficult to map transactions based on IFAD's FM requirements, that is, by cost category, by component, and by financier. The same mapping should be done in order to segregate transactions by the different provincial delegations. The customisation process is ongoing for the current project (PRODAPE) and should be suitable for PROPEIXE as well. There are sufficient controls within e-SISTAFE to facilitate segregation of duties between the initiators, reviewers and approvers of financial transactions. Whereas financial reports of the current project are prepared on a timely basis, this is done by analysing data extracted from e-SISTAFE in Excel. Use of Excel for financial reporting poses a major risk to the accuracy and completeness of the financial transactions.

Fixed assets are recorded in the asset register whenever new ones are procured. There are also annual verifications as part of the annual audits. The accounting software (e-SISTAFE) has a fixed assets module which will be used in capturing the assets to be purchased through the project funds.

Counterpart contributions (in cash) will be recognised in the accounting software. However, contributions in kind, such as office space, labour by beneficiaries, will be separately recorded as provided for in the project PIM. In-kind contributions will be reported separately as notes to the financial statements.

Project financial statements will be prepared annually based on IPSAS cash basis reporting standards. Guidance will be provided on requirements of the IPSAS cash basis reporting standards during project start-up phase.

## 6) External Audit

The Administrative Court ('Tribunal Administrativo': TA) is the Supreme Audit Institution in Mozambique in charge of the audit of all public institutions and State entities at central, provincial and local levels. Whereas this assessment did not specifically cover the structures of the SAI, the institution has not audited IFAD projects in previous years. However, there is agreement to commence the review of IFAD projects in the country commencing with the financial year ending 31 December 2023. The SAI currently audits projects funded by the World Bank and USAID.

The SAI audit in Mozambique covers all the national and sub-national government funds. External audits for IFAD supported projects in Mozambique are generally satisfactory. There has been an effort in the last year to provide feedback to the auditors, especially with regard to compliance with IPSAS cash basis of accounting. Audits are conducted in line with the International Standards on Auditing. According to the 2021 PEFA report, the SAI is independent and conducts the audit using ISSAI standards. Implementation of audit recommendations is not done in a timely manner. Audit terms of reference will be agreed between the SAI and the project, and cleared by IFAD by 31 March of each year in order for the audit process to commence.

## VI. Implementation Readiness

**Table 2: FM Actions Summary: The actions needed to mitigate FM risks are summarised below:**

	<b>Action</b>	<b>Responsible Party / Person</b>	<b>Target Date / Covenants<sup>3</sup></b>
<b>1</b>	<p><b>Establish the FM structure of the project, including recruitment of staff within six months of entry into force.</b></p> <p>Final FM structure of the PMU to be refined and staff recruited within six months of entry into force. Training of all finance staff at national and sub-national level to be conducted within the start-up phase of the project.</p>	Director General, IDEPA	Within six months of entry into force
<b>2</b>	<p><b>Establish the PSC prior to commencement of the project, or during the start-up phase.</b></p> <p>Set-up of the PSC should be completed (including selection of PSC members and drafting the relevant TORs) before commencement of the project.</p>	Director General, IDEPA	Within six months of entry into force (dated covenant)
<b>3</b>	<p><b>Open designated and operational bank accounts for each project financier to facilitate traceability of funds.</b></p>	Director General, IDEPA	By entry into force date (disbursement condition)

<sup>3</sup> Indicate if covenants are required in Financing Agreement for each of these: effectiveness condition or disbursement condition or dated covenant.

	<b>Action</b>	<b>Responsible Party / Person</b>	<b>Target Date / Covenants<sup>3</sup></b>
	DA for each financier to the project and corresponding operational accounts in CUT will be opened prior to the first withdrawal.		
<b>4</b>	<b>Develop tools for capturing counterpart contributions.</b> Develop tools during the start-up phase to capture all counterpart contributions by government and beneficiaries.	M&E Manager, PROPEIXE	Within six months of entry into force
<b>5</b>	<b>Customise the accounting software (e-SISTAFE) to facilitate compliance with IFAD financial management requirements.</b> Complete the ongoing customisation process of e-SISTAFE to suit IFAD financial reporting requirements prior to the first withdrawal.	Director General, IDEPA	By entry into force date
<b>6</b>	<b>Include the new project in the annual plan of the internal audit department.</b> If internal audit department will be deemed to lack capacity to review the project, consideration should be made regarding recruitment of an internal auditor to supplement the efforts of the internal audit department of IDEPA, focusing mainly on the two IFAD financed projects under MIMAIP.	Director General, IDEPA	Within the first year of entry into force
<b>7</b>	<b>Prepare project annual financial statements in line with IPSAS cash basis of accounting standards.</b> Project to prepare financial statements in compliance with IPSAS cash basis standard. Engage the TA early for inclusion into their external audit plan from the first year of the project.	Finance Manager, PROPEIXE	Within the first year of entry into force

## FM Supervision plan

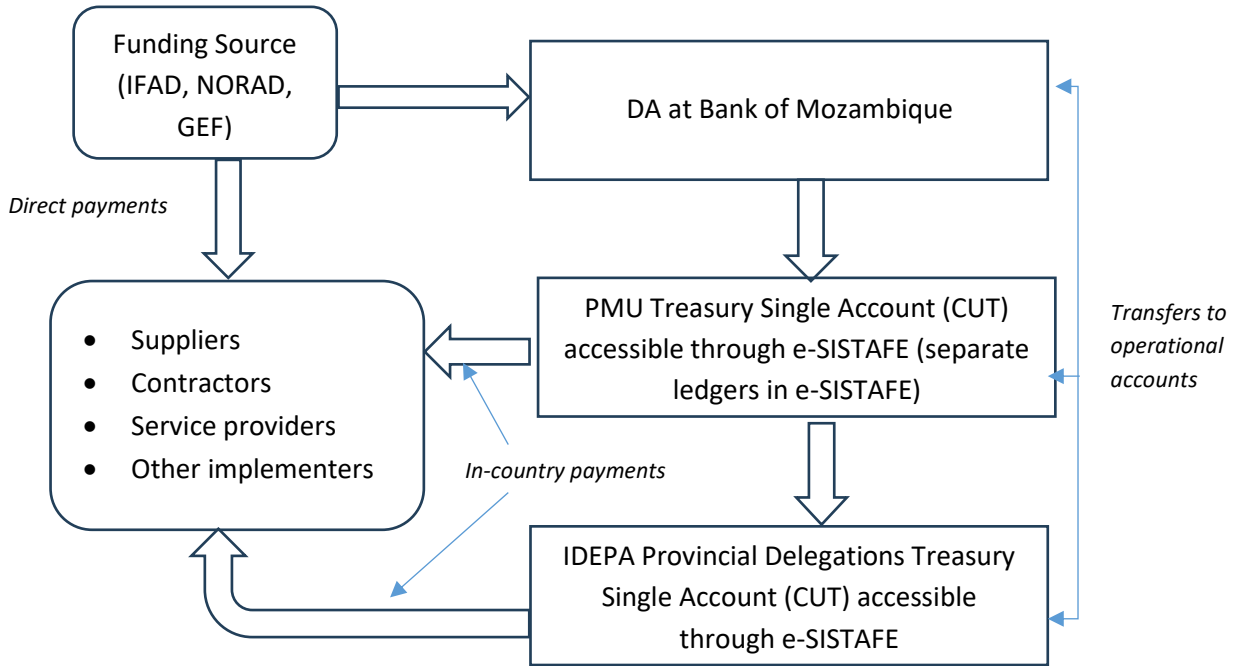
Based on the assessment during the project design, FM supervision during the life of the project should focus on the following:

1. *Capacity building of project finance staff.* FMD staff/consultants should provide training to project FM staff remotely and during supervision missions covering major components of IFAD financial reporting. These should include interim financial reporting, compliance with IPSAS cash basis reporting standards, preparation and submission of withdrawal applications.

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2. *Review of financial performance at national and sub-national levels.* Such reviews will include visits to provincial delegations and districts to identify bottlenecks to implementation from FM perspective. Emphasis should be made on recognition of counterpart contributions from project inception.
3. *Engagement with internal and external auditors.* Engage internal and external auditors to obtain additional assurance, especially in areas not covered during supervision missions.
4. *Monitor usage of the accounting software during implementation, including assessment of reports generated.* Further improvements that may be necessary to enhance financial reporting through the accounting software should be communicated to the CEDSIF team.

### Appendix 1: Flow of Funds Chart



### Appendix 2: FMAQ

FMAQ document is not to be attached, but retained on x-desk cluster corner