

PEI Mozambique Theory of Change 2014-2017



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Context and Problem Statement

Environmental and Natural Resources (ENR) play a critical role in Mozambique's economy and contribute to almost half of the GDP. 70% of the population live in rural areas and are heavily dependent on ENR for their livelihoods. This makes men and particularly women in Mozambique highly vulnerable to ENR degradation and climate change. Further, harnessing the revenues from ENR extraction and production for inclusive sustainable development requires mechanisms for benefit sharing and measures to reduce social and environmental harm. Although the country benefits from extensive legislation regulating the use of ENR, it is inadequately enforced and there is a lack of coordination between different stakeholders. Hence, the implementation of strategies and actions to strengthen inclusive ENR sustainability on the ground is lagging and current level of investments in such strategies is insufficient.

Barriers Analysis

1. Lack of policy coherence and coordination mechanisms between government institutions responsible for pro-poor ENR management (national level).
2. Weak governmental institutional capacity for sustainable and pro-poor ENR policy design and efficient implementation across government entities.
3. Lack of adequate targeted specific evidence to justify policy and budgetary decisions that result in improved pro-poor ENR use.
4. Inadequate or weak budget and financing (quantity, quality, and prioritization) to promote pro-poor ENR use.

Project Objective and Assumption

Objective

Enhanced capacities for inclusive sustainable management of natural resources through improvement in national planning and budget processes.

Assumptions

Inclusive and sustainable ENR management can be achieved if planning and budget processes better integrate P-E objectives and are better coordinated across sectors, if awareness and capacities at all levels to formulate and implement such policies are strengthened, and if resources for the implementation of these objectives are increased. The implementation of such improved policies will contribute to more sustainable use of ENR and increased productivity of land, forests and fisheries enhancing food security and incomes for people that depend on ENR.

PEI Interventions

In response to the identified gaps and learning from PEI's experience in Mozambique in 2005 to 2013, PEI focuses on awareness raising and capacity building in three key areas:

Enhanced sectorial coordination and integration of P-E linkages into national and sector policies, plans and strategic documents.

Progress

As a result of P-E capacity building, one of the five priority areas in Mozambique's five year development plan (PQG) focuses on the sustainable and transparent use of ENR with an explicit focus on reducing local communities' vulnerabilities to climate change and environmental degradation.

Capacity built of environmental focal points located in selected sectors and systematic application of a mainstreaming tool for cross-cutting issues (including a focus on environment and gender) developed by the Ministry of Planning and Development, PEI and DANIDA for sector and provincial planning and budgeting.

26 sector annual social and economic plans issued between 2013 and 2015 (between 7-9 sectors each year) include P-E objectives. For example, Ministry of Mineral Resources commit to train district staff on mitigating environmental impacts from the use of borax and produce a manual on best practices for artisanal mining.

Remaining Interventions

Undertake an evaluation of the use of the mainstreaming matrix, which provides guidance on how to include cross-cutting issues such as environment in ministry plans and strategies to inform the development of a new PQG planning tool for cross-cutting issues.

Target key sectors, e.g the agriculture, energy and extractives sector, by examining the impact of the sectors on the P-E nexus and opportunities to increase revenues from more sustainable ENR use in a way that reduces poverty.

Continue to provide technical support to the environment units in light of government changes.

Increased resources allocated to and improved tracking of climate and environmental expenditure through better financial monitoring systems.

The Government allocated 13.6% of the total 2015 PQG budget for the implementation of the ENR priority area.

Informed by the recommendations from a PEI Public Environment Expenditure Review, the Ministry of Finance introduced a climate budget code and extended the use of environmental budget codes.

Using the new budget codes, the Ministry of Environment recorded the expenditure on climate change in the Ministry alone to be equivalent to \$857,038 in 2014.

Roll out in 2017 for application by all sectors and districts the comprehensive training package on the integration of P-E priorities in budget and planning processes, including the application of environment and climate budget codes.

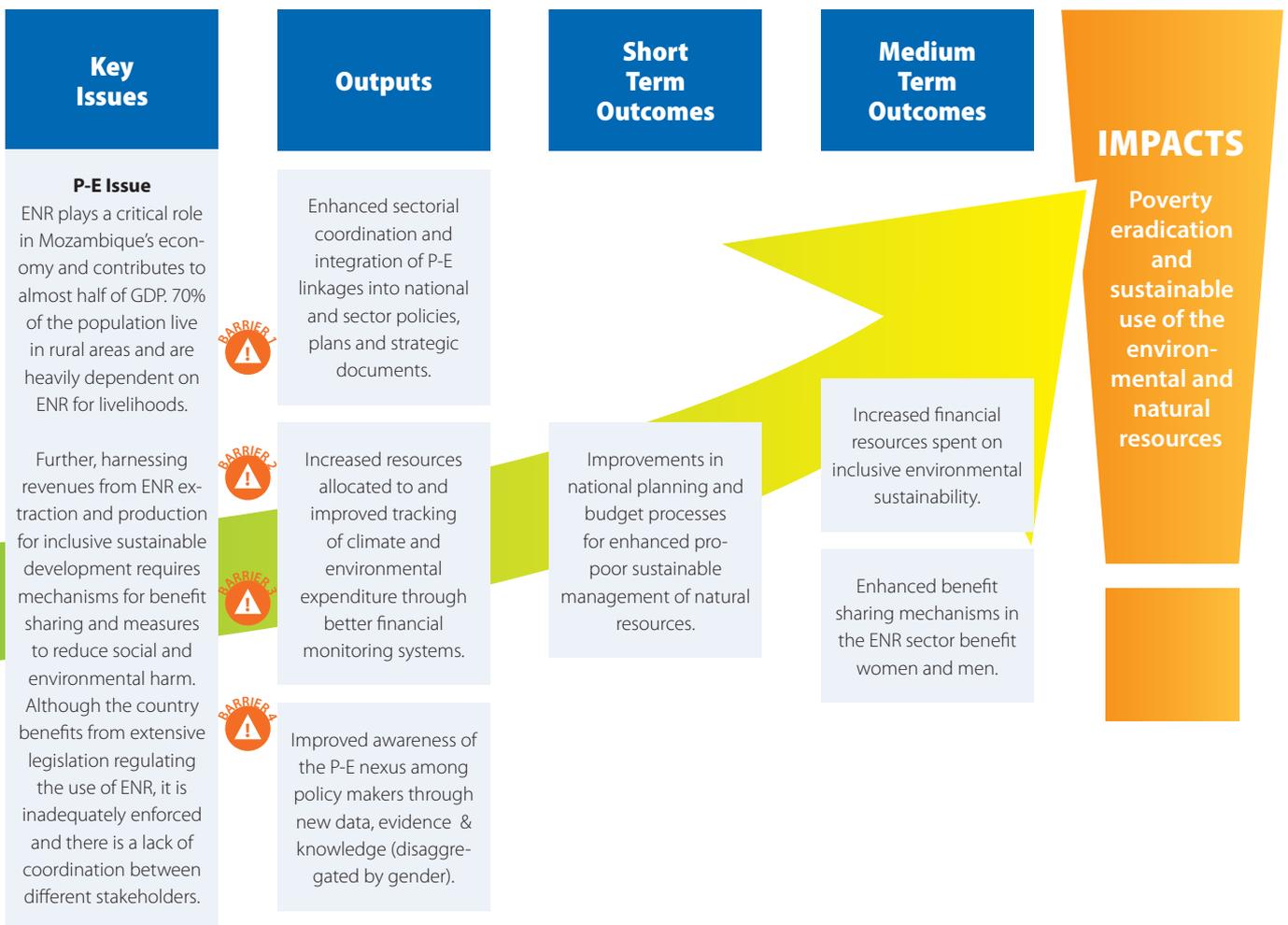
Improved awareness of PE nexus among policy makers through new data, evidence and knowledge (disaggregated by gender).

Facilitated a government-civil society platform for pro-poor ENR management.

Annex: ToC Diagram

Assumptions

Inclusive and sustainable ENR management can be achieved if planning and budget processes better integrate P-E objectives and are better coordinated across sectors, if awareness and capacities at all levels to formulate and implement such policies are strengthened, and if resources for the implementation of these objectives are increased. The implementation of such improved policies will contribute to more sustainable use of ENR and increased productivity of land, forests and fisheries enhancing food security and incomes for people that depend on ENR.



Barriers: 1) Policy coherence and coordination mechanisms 2) Institutional capacity for ENR policy design and implementation 3) Lack of adequate, targeted, specific evidence 4) Budget and financing (quantity, quality, and prioritization)