

PROJECT IDENTIFICATION

- 1.1 **Title of the Sub-Programme** Policy Development and Law (DPDL)
- 1.2 **Title of the Sub-project** Strengthen Environmental Policy and Management Capacity at the National and Local Levels as a Contribution to Poverty Alleviation and Sustainable Development in Africa - Mozambique
- 1.3 **Sub-project n°** CP/2000-04-
Main project no: CP/2000-04-02
- 1.4 **Geographical scope** Regional - Africa
Country: Mozambique
- 1.5 **Implementation:** Ministry for the Coordination of Environmental Affairs (MICOA), P.O. Box 2020, Maputo, Mozambique. Email (national project coordinator): Teresa.pinto@micoa.gov.mz. Tel. +258 1 496108 Fax. +258 1 496108
- 1.6 **Duration of the sub-project:** Implementation of the project: June 2005 – December 2007

1.7 **Cost of the sub-project**

Norwegian Counterpart Contribution:	US\$ 463,645
Belgian Trust Fund:	US\$ 102,500
Total:	US\$ 566,145

1.8 **Sub-project summary:**

The project will be implemented in Mozambique under the coordination of MICOA. The general output is to integrate environmental issues in the national strategy of poverty alleviation.

1.9 **Signatures:**

For MICOA

For UNON

(Minister)

David Hastie
Acting Chief
Budget and Financial Management Service

Date: _____

Date: _____

2. BACKGROUND

The long-standing assumption that the poor are the main perpetrators of environmental degradation has been refuted by recent research. New evidence points to a much more complex nexus of social and economic exclusion as well as institutional failure as the main drivers of both environmental degradation and poverty. It is therefore imperative that an approach that fully integrates the human as well as the ecological dimension be adopted to address the problem of poverty world-wide. UNEP has responded to this need by developing an approach that fully integrates the environment into the challenge of poverty alleviation. Working towards the implementation of that approach in Africa UNEP has developed the project Strengthen Environmental Policy and Management Capacity at the National and Local Levels as a Contribution to Poverty Alleviation and Sustainable Development in Africa. This project will be implemented in seven African countries, i.e. Kenya, Mali, Mauritania, Mozambique, Rwanda, Tanzania and Uganda.

The overall **objective** of the project is to increase developing countries' capacity to mainstream environment in their development strategies. This project proposes to develop guidelines towards this objective by beginning with pilot studies that will provide technical assistance to the seven selected African countries. These pilot studies will be in the form of national workshops, local level ecosystem-poverty assessments, response strategy formulation and integrating these strategies within national development strategies, poverty reduction strategy papers or any national development strategy the country uses. Training manuals will be developed in the process, which will provide tools that countries can use in integrating environmental policies derived from integrated assessment within national poverty reduction or development strategies. The scope of the activities will be broad-based, including challenges such as sustainable natural resource management, biodiversity, agriculture, water supply, cleaner production and gender sensitivity. Ownership of the participating countries is essential for the project.

Mozambique has an estimated population of 18 million, mainly concentrated in rural areas, with an estimation of 75%. More than 30% of the population is now concentrated in urban areas and it is expected to increase to 50% within 20 years. The agricultural sector is the main base for inhabitant's sustainability, by small-scale farming sector. Mozambique is also wealthy in natural resources with high economic importance, such as wildlife, forestry and fisheries resources, that are being exploited mainly by foreign companies.

The geographical location of the country favors the occurrence of floods, malaria, cholera and other environmental related diseases, with severe negative impacts on the incensement of poverty situation. However, due to the lack of knowledge, the linkage between environment and poverty are not consistently being reflected into poverty alleviation strategies.

Since 2000, poverty is one of the critical issues concerning the development policies in Mozambique. Over the last ten years the government had approved several instruments to address the need to incorporate poverty issues into national and provincial plans. Government of Mozambique (GoM) is involved in activities aiming at reducing absolute poverty. In that effort, the GoM had discussed and approved several plans nationally. Such plans are the Action Plan for Absolute Poverty Reduction (PARPA), Provincial Strategic Development Plan, and recently the Agenda 20/25. Internationally, the GoM has committed itself to poverty reduction by signing the Millennium Declaration and embracing the Millennium Development Goals (MDGs).

Over the last ten years the government had approved several instruments to address the need to incorporate poverty issues into national and provincial plans, but all of them are based only in the following priorities: education, health, agriculture and rural development, basic infrastructure, good governance, and macro-economic and financial management. Environmental issues, if reflected at all, are reflected as a cross cutting issue.

The MDGs comprise a set of development goals including environmental goals, recognizing the linkages between poverty reduction and sustainable development. However, the GoM still **needs** concrete programmes that address the management of natural resources and basic social and economic needs of the most vulnerable peoples. This project is designed to become a tool to respond with national strategy for poverty alleviation, well being and sustainable development.

The overall **objective** of this sub-project is to increase Mozambican capacity to mainstream environment in development strategies in order to keep the national and international commitments on promoting sustainable development as adopted by the country. The project is of great relevance to Mozambique in its struggle to eradicate poverty and achieve sustainable development.

MICOA is the principal agency responsible for the management of the environment in Mozambique and coordinates, monitors and supervises all activities in this field. In view of MICOA's experience and expertise it has been selected to be responsible for the implementation and coordination of the above-mentioned project in Mozambique. Implementation arrangements are outlined in Paragraph 6 below.

3. Legislative Authority and Contribution to Sub-Programme:

During the 22nd Session of the Governing Council of UNEP, Governments acknowledged and supported the work that has been accompanied so far by the Executive Director through the Division of Policy Development and Law in addressing the complex linkages between poverty and environment and promote key environmental issues in national development frameworks including poverty reduction strategies as requested in GC Decision 21/15.

Furthermore, UNEP Governing Council decision 22/10 requested the Executive Director, in collaboration with UNDP, AMCEN and NEPAD to provide input on the linkages between poverty and the environment as a means of ensuring improved understanding with the ultimate goal poverty eradication and sustainable development.

4. Outputs and activities (see also Annex I for more details)

The overall intended **outputs** of the project in Mozambique are:

- Methodologies for implementation of project, addressing the linkages between poverty eradication and management of natural resources, and national profile discussed and approved, with the involvement of core stakeholders;
- Micro programmes to contribute to poverty alleviation and sustainable management of natural resources implemented to demonstrate the linkages between poverty alleviation and the environment;
- Macro programmes aiming at the inclusion of environmental issues into all poverty alleviation actions
- Environment to be considered in all Mozambican sectoral strategies
- Experiences learned, recommendations made, and good practices highlighted, at national and regional level

- Project managed properly

Under this sub-project the following **activities** will be implemented towards reaching the overall outputs:

- Consultancy to collect existing relevant information and on-going activities, database, policies, the existing inter-institutional mechanisms, experiences etc. about poverty and environment
- National workshop to discuss the Environmental Strategic Sector Plan 2005-2015 versus other strategic sectoral and provincial plans and PARPA integration;
- Workshop on integration of environmental issues in PARPA with civil society;
- Identification of local groups, such as rural women organisations, youth associations, peasant groups etc. that will carry out pilot projects with impact on poverty alleviation and environmental protection. Approve pilot projects for local level activities. Implement pilot projects with the groups selected and realise supervision and support;
- Participatory workshop to identify issues related to policy coherence, the inclusion of poverty-environment linkages, in Mozambique, taking into account the outcome of activity a);
- Seminar/short course for planners at central to district level to build capacity for inclusion of poverty and environment linkages in institutional plans;
- Develop poverty and environment indicators, specific to Mozambique;
- Capacity building workshop for integrated assessments, policy integration and policy coherence;
- Civil society consultation and capacity building on poverty and environment;
- Communication to general public on poverty and environment issues, for example through mass media, school campaigns;
- Activities to ensure proper project management;

5. Workplan and Timing and Budget

A detailed work plan and budget for the initial implementation period are attached to this sub-project under Annexes I and II.

The initial detailed work plan and budget have a total value of US\$ 201,145. From this total amount US\$ 186,145 is funded from the Norwegian Counterpart Contribution and US\$ 15,000 is funded from the Belgian Trust Fund (activities 1.2 b and 4.2.).

All activities from the detailed work plan and budget for the initial implementation period are to be completed by 28 February 2006.

A detailed work plan and budget for the period March-December 2006 will be agreed upon by 31 December 2005.

A detailed work plan and budget for the period January–December 2007 will be agreed upon by 31 October 2006.

6. Implementation arrangements

The executive staff for the project will be the MICOA, who will appoint a project executive staff and an administrative officer. The executive staff will be composed by a National Executive Agency (MICOA in coordination with the MPD), National Coordinator Committee (CONDES), National Project Coordinator, UNDP Mozambique, Technical Team (composed of a representative of MICOA and MPD) and an Administrative Assistant. The Technical team will implement necessary technical and administrative activities, working in close

cooperation with other members of executive staff and core stakeholders, in conformity with the PARPA and other governmental priorities.

The responsibility of the administrative officer will be to ensure the implementation of the project, the funds allocated to specific activities and entities are properly channeled, and the officer will make follow-up and reporting.

The UNEP will provide support to the executing agency as needed during project implementation, specifically, in the areas of assistance in project launching, potential participation in the national meetings, monitoring the implementation of the work plan, review of the documentation, etc.

8. MONITORING AND REPORTING

All technical and financial reports will be prepared by MICOA.

8.1 Progress Report:

MICOA will be required to provide a six month progress/assessment report, advising of any new information arising from on-going consultative exercises that would suggest project revisions should be considered; advising of any potential budget deviations; providing details of forward planning for the implementation of the project activities. The progress reports should be in the format provided by UNEP as Annex III.

8.2. Self-evaluation Fact Sheet Report

MICOA will be required to submit an end of the year Self-Evaluation Fact Sheet Report in the UNEP format attached as Annex IV by 31 December 2005, 31 December 2006 and 31 December 2007.

8.3 Terminal Report:

Within 60 days after completion of the project, MICOA will be required to provide, a terminal report containing information on the achievement of results and outputs through implementation of the project. The report will clearly explain any variances from the results and outputs specified in the project document. It will also describe the lessons learned through project implementation and make recommendations for follow-up actions. The terminal report should be in the format provided by UNEP as Annex V.

8.4 Financial Reports:

8.4.1 **Project expenditure accounts**

MICOA will submit to UNEP:

- a) Details of project expenditures, will be reported in line with project budget codes as set out in the project budget, as at 31 March, 30 June, 30 September and 31 December. All expenditure accounts will be dispatched to UNEP within 30 days of the end of the quarter to which they refer, certified by a duly authorized official of the MICOA.
- b) The expenditure account as at 31 December, certified by a duly authorized official, should be dispatched to UNEP within 30 days, as for the other quarters, in addition, UNEP requires that the end of your expenditure account should be reported in an opinion by a recognized firm of public accountants (or for Governments, Government auditors) which shall be dispatched to

UNEP by 30 June. In particular the auditors should be asked to report, whether, in their opinion:

- Proper books of account and records have been maintained;
 - All project expenditures are supported by vouchers and adequate documentation;
 - Expenditures have been incurred in accordance with the objectives outlined in the project document.
- c) Within 90 days of the completion of the project, MICOA will supply UNEP with a final statement of account in the same format as the quarterly statement, certified by the Government Auditors. If requested MICOA shall facilitate an audit by the United Nations Board of Auditors and/or the Audit Service of the accounts of the project.
- d) Any portion of cash advances remaining unspent or uncommitted by the MICOA on completion of the project will be reimbursed to UNEP within one month of the presentation of the final statement of accounts. In the event that there is any delay in such disbursement, MICOA will be financially responsible for any adverse movement in the exchange rate. The expenditure reports should be in the relevant UNEP format provided in Annex VI.

8.4.2 Cash advance accounts

A statement of advances of cash provided by UNEP should be submitted quarterly as at 31 March, 30 June, 30 September and 31 December in the format provided by the UNEP as Annex VII.

8.5 Terms and Conditions:

8.5.1 Non-expendable equipment

MICOA will maintain records of non-expendable equipment (items costing \$1,500 or more as well as items of attraction such as pocket calculators) purchased with UNEP funds (or with trust funds or counterpart funds administered by UNEP), and will submit an inventory of all such equipment to UNEP once a year indicating description, serial number (if any), date of purchase, cost and present condition of each item attached to the progress report submitted on 30 June. Within 60 days of the completion of the project MICOA will submit to UNEP a final inventory of all non-expendable equipment purchased under the project indicating description, serial number (if any), date of purchase, cost and present condition, together with MICOA's proposal for the disposal of the equipment. Non-expendable equipment purchased with funds administered by UNEP remains the property of UNEP until its disposal is authorized by UNEP, in consultation with MICOA. MICOA shall be responsible for any loss of or damage to equipment purchased with UNEP funds. The proceeds from the sale of equipment (duly authorized by UNEP) shall be credited to the accounts of UNEP, or of the appropriate trust fund or counterpart fund.

8.5.2 Responsibility for cost overruns

MICOA is authorized to enter into commitments or incur expenditures up to a maximum of 20 per cent over and above the annual amount foreseen in the project budget under any budget subline, provided the total cost of the UNEP annual contribution is not exceeded. This may be done without prior authorization, but once the need for these additional funds becomes apparent, a revised budget request should be submitted to UNEP immediately. Cost overruns are the responsibility of MICOA, unless a revised budget has been agreed with UNEP.

Any cost overrun (expenditures in excess of the amount budgeted amount) on a specific budget subline over and above the 20 per cent flexibility mentioned above should be met by the organization which originally assumed responsibility for authorizing the expenditure unless a revision has been agreed to by UNEP prior to the authorization to cover it. Savings in one budget subline may not be applied to overruns of over 20 per cent in other sublines, even if the total cost to UNEP remains

unchanged, unless this is specifically authorized by UNEP upon presentation of the request. In such a case, a revision to the project document amending the budget will be issued by UNEP.

8.5.3 Cash advance requirements

An initial cash advance of US Dollars One Hundred and Thirty Four Thousand (US\$ 134,000) will be made upon signature of the project document by both parties and will cover expenditures expected to be incurred by MICOA during the first six months. Subsequent advances are to be made quarterly, subject to:

- a) confirmation by MICOA at least two weeks before the payment is due, that the expected rate of expenditure and actual cash position necessitate the payment, including a reasonable amount to cover "lead time" for the next remittance; and
- b) the presentation of a satisfactory financial report showing expenditures incurred for the past quarter, under each project, and timely and satisfactory progress reports on implementation as required.

Unless advised otherwise by MICOA, the bank account to which the transfers will be made is as follows:

Bank Name: Standard Bank
Bank Address: Praça 25 de Junho
Account Name: MICOA AMCEN
Account Number: 113-136242.100.5
IBAN Number:
Swift Code: BSTM.MZMA,
Praça 25 de Junho
Maputo - Moçambique
Nº 113-136242.100.5

8.5.4 Claims by third parties against UNEP

MICOA being the main implementing agency at the national level shall be responsible for dealing with any claims which may be brought by third parties against UNEP and its staff, and shall indemnify UNEP and its staff against any claims or liabilities resulting from operations carried out by MICOA under this project document, except where such claims or liabilities arise from negligence or misconduct of the staff of UNEP.

9. Correspondence

All correspondence regarding this Sub-project between the Government of Mozambique through MICOA and UNEP should be addressed to:

AT MICOA

Mr. Erasmo Nhachungue
Director
Ministry for the Coordination of Environmental Affairs (MICOA)
P.O. Box 2020 Maputo
Mozambique
Tel: (+258) 1 485275
Fax: (+258) 1 485266
Email: erynhachungue@yahoo.com.br

With a copy to:

Ms. Teresa Magalhães Pinto
 National Project Coordinator
 Ministry for the Coordination of Environmental Affairs (MICOA)
 P.O. Box 2020 Maputo
 Mozambique
 Tel: (+258) 1 496109
 Fax: (+258) 1 496108
 Email: teresa.pinto@micoa.gov.mz

All correspondence regarding substantive and technical matters between the Government of Mozambique through MICOA and UNEP should be addressed to:

AT UNEP

Mr. Bakary Kante
 Director
 Division of Policy Development and Law
 United Nations Environment Programme
 P. O. Box 30552, Nairobi 00100, Kenya
 Tel: (254-20) 623835/624065
 Fax: (254-20) 624324/622788
 Email: Bakary.Kante@unep.org

With a copy to:

Mr. David Hastie
 Acting Chief, Budget and Financial Management Service
 United Nations Office at Nairobi,
 P.O. Box 67578, Nairobi 00200, Kenya
 Tel: (+254) 20 623637
 Fax: (+254) 20 623755
 Email: david.hastie@unon.org

All correspondence regarding administrative and financial matters should be addressed to:

Mr. David Hastie
 Acting Chief, Budget and Financial Management Service
 United Nations Office at Nairobi (UNON)
 P.O.Box 67578, Nairobi 00200, Kenya
 Tel: (+254) 20 623821
 Fax: (+254) 20 623755
 Email: david.hastie@unon.org

With a copy to those mentioned above.

Annex III

UNITED NATIONS ENVIRONMENT PROGRAMME PROGRESS REPORT (please attach a current inventory of outputs/Services when submitting this report)

1. Background Information				
1.1 Project Number				
1.2 Project Title				
1.3 Division/Unit				
1.4 Coordinating Agency or Supporting Organization (<i>if relevant</i>)				
1.5 Reporting Period (the six months covered by this report)				
Relevant UNEP Programme of Work (2005-2006) Component Number (<i>3 digits</i>), or Relevant UNEP Programme of Work (2005-2006) Subprogramme Number and Specific Objective Number				
2. Project Status				
2.1 Information on the delivery of outputs/services				
	Output/Service (as listed in the approved project document)	Status ¹	Description of work undertaken during the reporting period	Results and Impacts
1				
2				
3				
4				
2.2 Description of problems encountered; Issues that need to be addressed; Decisions/Actions to be taken;				
2.3 If the project is not on track, provide reasons and details of remedial action to be taken				
3. Discussion acknowledgement				

¹ Status (Complete, Ongoing)

**(UNEP) Project Coordinator's General
Comments/Observations**

**First Supervising Officer's
General Comments**

Name, Date, Signature

Name, Date, Signature

Annex IV

SELF-EVALUATION FACT SHEET FORMAT

1. Project Title:

2. Project Number:

3. Relevant UNEP Sub-Programme element or/and Specific Objective Number:

Include a statement of how effective the project has been in attaining this component/objective and its contribution to overall Sub-programme implementation.

4. Geographical scope:

5. Mode of Implementation:

Specify cooperating agency or executing partners:

7. Duration:

- (a) Initial {(as indicated in the original project document). List day/month/year of start and end of project. List project duration in terms of total months}.
- (b) Actual {(as indicated in the latest project revision). List day/month/year of start and end of the project. List project duration in terms of total months}.
- (c) Reasons for the variance {When there is a difference between the initial and actual duration, list the consecutive project revisions (number and date of approval), and summarize justification for each revision}.
- (d) List day/month/year of start of current year Workplan.
- (e) List day/month/year end of current Workplan.

8. Cost:

- (a) Initial {(as indicated in the project document). List the total project cost (UNEP and "Others") and give breakdown by funding source. Give actual figures and contribution in terms of percentages}.
- (b) Actual {(as indicated in the latest project revision). List the total project cost (UNEP and "Others" and give breakdown by funding source. Give actual figures and contribution in terms of percentages}.
- (c) Reasons for the variance {(When there is a difference between the initial and actual cost, list the consecutive project revisions (number and date of approval) involved in amending the project costs. List any other reasons for discrepancy}.
- (d) Relate expenditure to achievement of outputs (e.g. 100% expenditure and 82% output completion).
- (e) Relate expenditure to achievement of outputs to date against overall project Workplan.

- 9. Project status at the time of evaluation:**
- 10. Needs:**
- (a) Identified needs (as indicated in the original project document).
 - (b) Satisfied/realized needs (List needs fulfilled due to implementation of the project).
- 11. Results:**
- (a) Expected Results (as indicated in the original project document).
 - (b) Actual Results (indicate actual results achieved/attained from project implementation) during current year.
 - (c) Actual results to date against overall project work plan.
 - (d) Reasons for the variance (state the reasons for the difference between expected and actual results).
 - (e) State corrective action(s) to be taken.
- 12. Outputs:**
- (a) Expected Outputs (as indicated in the original project document).
 - (b) Actual Outputs (List actual outputs resulting from project implementation emphasizing activities undertaken during current year)
 - (c) Reasons for the variance (state reasons for the difference between expected and actual outputs) during current year.
 - (d) Actual outputs to date against overall project work plan.
 - (e) State corrective action(s) to be taken.
- 13. What are UNEP's substantive inputs to the project? (Do not repeat UNEP's financial contribution).**
- 14. What are the catalytic effects of the project on other agencies or governments?**
- (a) Intellectual:
 - (b) Financial

15. On Gender - describe

(a) Project's contribution to the advancement of women with regard to their participation in ecosystem management and control of environmental degradation as envisioned by UNEP's commitment to related provisions of Agenda 21, Chapter 24.

(b) Sensitive activities carried out by the project, for example: level of participation in decision making process in the planning and development and implementation of the project and women's participation in capacity-building and awareness activities.

16. On Sustainability

Describe sustainability of the project in terms of: enabling environment (e.g. national or regional legislation and policies); institutional capacity (human resource and planning and management systems); and financial sustainability (reliability of funding sources).

17. Describe the problems encountered during project implementation:

<u>Problems:</u>	<u>Causes:</u>	<u>Consequences:</u>
a) Substantial/Programmatic		
b) Institutional		
c) Financial		

18. Lessons learned from the achievement and/or weaknesses of the project:

19. Further follow-up action required:

(a) Action Required: _____ (b) Responsible unit(s): _____ (c) _____
Schedule: _____

20. Evaluated by:

Noted by:

Name and position of Evaluator:

Cooperating Agency/Supporting Representative:

Date: _____

Date: _____

21. Approved by:

Name of Project Coordinator:

Date: _____

