

**Mid-year Review of the Programme Aid Partnership
September 2005
Terms of Reference**

1. Background

The PAPs and GoM have established a common framework of dialogue and accountability, secured through a common Memorandum of Understanding (MoU), and closely aligned with the Mozambican planning and budget cycle, using Mozambican instruments of planning, budgeting and reporting.

The MoU on Budget and Balance of Payments Support stipulates (MoU para 20 and Annex 4) that a mid-year review (MYR) of the Partnership shall be held each year, with GoM, PAPs and observers as participants.

It is proposed that the various sectors and areas autonomously prepare and feed into the MYR, using as far as possible government instruments and procedures and existing review mechanisms.

2. Objective

The main objective of the MYR is for GoM and PAPs to **agree the PES/PAF matrix for 2006**. There will also be a **limited** backwards look in order to (i) identify critical areas of weak performance against the PES/PAF 2005 and agree on measures to be taken (ii) comply with the purposes of split response mechanisms.

GoM and PAPs will also agree a **revised PAPs PAF matrix**.

3. Activities

As stated in the MoU, annex 4, the activities to be carried out during the MYR:

- GoM and PAPs will discuss performance in year n until the moment of the review, based on the latest budget execution report and the BdPES [first semester] and other available information. This will be a light touch exercise, highlighting major issues only.
- GoM and PAPs will discuss GoM plans for year n+1 on the basis of the headline information on the PES and OE, and the PES/PAF matrix
- GoM and PAPs will discuss PAP commitments for improving aid effectiveness

- GoM and PAPs will assess performance against specified conditions for variable portions of PAP response mechanisms based on existing and any further information on performance in year n-1, in case this data is not provided in time for the JR.

4. Reference Documents

Backward look (light touch):

Balanço 1º Semestre do PES - BdPES (issued by GoM)
Budget Execution Report for 1st Semester 2005 (issued by GoM)
PAF 2005 (AM JR 12th May 2005)
JR Aide Memoire (12th May 2005)

Forward look (focus of the review):

Headlines PES and OE 2006
GoM's PES/PAF matrix 2006 proposal (updated by GoM during the PES process)

5. Participants

The participants in the review will be Government officials at technical, management and political level, donor representatives at technical, management and political level, local representatives and representatives from civil society.

6. Outcomes

The outcomes of the MYR will be:

- Agreement of PES/PAF matrix for 2006
- Agreement of a revised PAPs PAF matrix on donor performance

Commitments of Programme Aid for 2006 are based on GoM performance in 2004. PAPs will confirm by 31 August, as stipulated in the MoU. The MYR therefore has no impact on this confirmation.

7. Outputs

- Identification of critical areas of weak performance in relation to the PES/PAF 2005.
- Confirmation of PES/PAF Matrix 2006-08 proposing revisions and amendments if necessary.
- Comments on draft PES and OE 2006.

The final result of the above will be a jointly agreed GoM-PAP Aide Memoire (3-4 pages) consisting of a summary of conclusions and recommendations and two annexes containing the agreed PES/PAF matrix and the revised donor performance matrix (PAPs PAF).

8. Timing and deadlines

See enclosed calendar (**ANNEX 1**).

The concluding MYR meeting will take place on (to be defined: 19-23 September). During this day, the parties will:

- agree upon the Aide Memoire
- agree on the PES/PAF matrix 2006
- agree on the revised PAPs PAF

A drafting committee appointed by the JSC (GoM-PAP Steering Committee) will compile and complete the Aide Memoire, the PES/PAF matrix 2006 and the revised PAPs PAF for final agreement.

9. Working Group Guidelines

Working Groups should produce a 3-4 page report on their findings in both Portuguese and English. It will be the responsibility of the working groups to ensure that the translations are correct and are forwarded by the appropriate deadlines to the thematic leaders, who will co-ordinate all inputs in their thematic pillars and submit reports to the PAP Secretariat.

STRUCTURE OF THE WORKING AND THEMATIC GROUPS:

The Thematic and Working Groups will follow the design structure of the PARPA II process, to the extent possible. This is illustrated in the table below.

Theme/Pillar	Working Groups
Poverty and Macro economic management	Growth and Macro economic stability Poverty Analysis and Monitoring Systems Public Financial Management consisting of the following 5 sub groups: -Budget Analysis Group -Tax reform -Procurement Reform -SISTAFE -Audit
Governance	Public Sector Reform Decentralisation Justice Sector Reform
Economic Development	Financial Sector Private Sector Agriculture and Rural Development Road Sector
Human Capital	HIV/AIDS Health Education Water and Sanitation
Cross cutting	HIV/AIDS Gender Environment

Each working group should organise as to how their process can operate most economically and take account of the intra-governmental dialogue process.

GoM and PAPs should engage in dialogue (through existing sector and reform working groups (WGs), and cross-cutting groups (CCGs) on GoM's proposals for the OE, PES, and PES/PAF matrix during the preparation process in June-August.

ROLE OF THE THEMATIC LEADERS:

The thematic leaders will play the following role:

- ensure that the preparation process starts in time;
- provide an overview role in the thematic area;
- raise issues of common concerns and stimulate inter sectoral debate within their groups;
- provide a challenge function;
- co-ordinate inputs and submit all reports, strictly adhering to the deadlines;
- be a part of the drafting team of the Aide Memoir (one thematic leader per theme/pillar)

A detailed table in **ANNEX 2** lists the names of the working group and thematic leaders for the MYR for both the donor and the government side (to the extent possible).

STRUCTURE OF THE REPORT OF THE WORKING GROUPS:

The report should be composed of the following three sections:

1. Short executive summary (key fundamental points for AM)

This section is essentially envisaged as a summary of the report as a whole. It should be written in a format that makes it easy for the Aide Memoir drafting team to directly transfer into the Aide Memoir. It is therefore recommended that this section is kept fairly succinct (2 paragraphs) using bullets (if possible).

2. Looking back:

- 2.1. Define critical areas of weak performance against the PAF 2005 and propose prioritised, key measures to be taken.

3. Looking forward:

- 3.1. Confirm PES/PAF matrix indicators for 2006 and propose revisions/amendments to the matrix for 2006-2008. It is important to keep the number of indicators down.
- 3.2. Comments on first draft OE and PES 2006, including how the draft PARPA II is reflected (if possible):
 - 3.2.1 Coherence between the proposed PES/PAF 2006 and first draft OE 2006
 - 3.2.2 Trend in resource allocation
 - 3.2.3 List of external funds to GoM in the sector/area (More detailed instructions will follow in the end of June from GoM)
 - 3.2.4 External funds reflected in OE 2006

All working groups will include in their assessments the key cross cutting issues: HIV/AIDS, gender and environment. The existing working groups will liaise with CCGs to ensure that the transversal issues are reflected in the PES/PAF matrix for 2006. Each

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working group has the responsibility to include members with the capacity to address sectoral transversal issues. Working groups should also look at the provincial/district perspective. The CCGs can also submit their own reports.

The deadline for submitting full working group reports is 02 September, although part 3.1 and 3.2.3. would need to be submitted by 15 July.

ANNEX 1: SCHEDULE OF KEY DATES AND DELIVERABLES (including preparatory work for the MYR)

This is a living document and will be changed according to need

Date	Actors	Activities/Deliverables	Meetings
15 th June	PAP Secretariat and Troika	MYR TORs and preparation process defined	JSC Joint PAF CoG
July	GoM and partners	Poverty Observatory in Maputo: Discuss and monitor progress with PARPA implementation	Plenary Session
15 July	WGs	Deadline for Report on the PAF indicators for 2006-08 (Section 3.1 of the full report, first draft) and the list of external funds to GoM at the sectoral level for 2006 (Section 3.2.3).	
10 August	HoCs	Discuss draft PES/PAF matrix 2006 and WG inputs	HoCs
15 August	GoM	Issue BPES and QBER for first semester 2005	
	GoM	Deliver headline PES and OE 2006	
24 August	HoMs	Discuss PES/PAF matrix 2006	HoMs
31 August	PAPs	Confirmation of Budget Support commitments 2006	
?	PAPs Economists, IMF mission	Provide inputs for IMF mission	
?	Relevant WGs and IMF	Participate in technical work with IMF mission in	

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		procurement, SISTAFE, PSR, legal sector reform working areas	
?	PAPs, IMF	IMF debriefing to PAPs	PAPs and IMF
2 September	Working group and thematic leaders	Discuss emerging issues	PAF CoG
12 September	GoM	Confirmation of PES and OE 2006	
13 Sept (if needed)	Working group and thematic leaders	Discuss emerging issues	PAF CoG
14 September	WGs	Deadline for full final report. (including final draft PAF (2006-08))	
16 September	GoM, PAPs/IMF	Discussion of draft AM, PES/PAF 2006 and revised PAPs PAF. Discussion on main budget analysis issues on Headline Budget for 2006	Joint PAF CoG/BWG
19 September	HoMs/HoCs	Discussion of full Aide Memoire including (i) critical areas of weak performance (ii) Revised PAPs PAF matrix	HoMs/HoCs

MYR

Date	Actors	Activities	Meeting
Half day meeting towards the end of the week of 19 September	GoM + PAPs	Agreement on Aide Memoire and PES/PAF matrix 2006 Agreement on revised PAPs PAF	MYR PAPs, GoM, Thematic Leaders

ANNEX 2: LIST OF THEMATIC/WORKING GROUPS and FOCAL PERSONS

Thematic pillars and Leaders	Working Groups	Working Group Leaders	
		Donors	GoM
1) Poverty and Macro economic management Donor: Bridget Walker-Muiambo Karin Andersson bridget.walker@dfa.ie Karin-anette.andersson@sida.se GoM: Antonio Cruz Acruz@gempfmz.org	Growth and Macro economic stability	Telma Loforte/Greg Binkert telma.loforte@sdc.net Gbinkert@worldbank.org	Antonio Cruz Acruz@gempfmz.org
	Poverty Analysis and Monitoring Systems	Alicia Herbert a-herbert@dfid.gov.uk	Momad Piaraly MomadPiaraly@dnpo.gov.mz
	Public Financial Management consisting of the following 5 sub groups:	Jolke Oppewal jolke.oppewal@minbuza.nl	Abdul Aziza a.aziza@mpf-moz.net Antonio Laice Antonio.laice@utrafe.gov.mz
	Budget Analysis Group	Jolke Oppewal jolke.oppewal@minbuza.nl	Antonio Laice Antonio.laice@utrafe.gov.mz
	Tax reform	Telma Loforte telma.loforte@sdc.net	Abdul Aziza a.aziza@mpf-moz.net
	Procurement Reform	Carsten Sandhop carsten.sandhop@kfw.co.mz	
	SISTAFE	Wim Ulens wim.ulens@btcctb.org	Carlos Jessen Carlos.jessen@tvcabo.co.mz
	Audit	Sylvie Millot sylvie.millot@cec.eu.int	Marcelino Jorge
2) Governance Donor: GoM: Adelino Cruz dacruz@utresp.gov.mz	Public sector reform	Mette Masst mette.masst@mfa.no	Adelino da Cruz dacruz@utresp.gov.mz
	Decentralization	Fatima Amade fatima.amade@undp.org /Jakob Massuanganhe jacob.massuanganhe@undp.org	Adelino da Cruz dacruz@utresp.gov.mz
	Justice sector reform	Fotini Antonopoulou/Daniel Voorhoeve Fotini.Antonopoulou@cec.eu.int daniel.voorhoeve@minbuza.nl	Gaspar Pedro Moniquela Cclj@tvcabo.co.mz

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<p>4) Economic development</p> <p>Donor: Simon Vandenbroeke s-vandenbroeke@dfid.gov.uk</p> <p>Luis Santos luis.santos@cec.eu.int GoM: Carlos Mucavele cmucavele@map.gov.mz</p> <p>Joao Macaringue</p>	Financial sector	Simon Vandenbroeke s-vandenbroeke@dfid.gov.uk Ravi Ruparel	Joana David joana.david@bancomoc.mz
	Private Sector	Elizabeth Jones e-jones@dfid.gov.uk	Luis Siteo lsitoe@mic.gov.mz
	Agricultural and rural development	Daniel de Souza Dsouza@worldbank.org Francoise Millecarn Francoise.Millecam@cec.eu.int	Carlos Mucavele cmucavele@map.gov.mz
	Road Sector (including telecom and railways)	Luis Santos luis.santos@cec.eu.int	Francisco Pereira fe-ane@teledata.mz
	Energy Sector	Lisbeth Soderling lisbeth.soderling@sida.se	Pascoal Bacela (MIREME)
<p>5) Human capital:</p> <p>Donor: Kirsi Viisainen Kirsi.Viisainen@formin.fi</p> <p>GoM: Gertrudes Machatine mgertudes@tropical.co.mz</p>	Health	Jonas Chambule Jonas.Chambule@dfa.ie	Gertrudes Machatine mgertudes@tropical.co.mz
	HIV/AIDS	Marcia Colquhoun marcia.colquhoun@international.gc.ca Carolyn Forkin cforkin@worldbank.org	Pascoa Themba pascoa.themba@cncs.org.mz
	Education	Susanne Stump suzanne@cida-psu.com	Manuel Rego rego@mined.gov.mz
	Water and sanitation	Kees Konstapel kees.konstapel@minbuza.nl	Americo Muianga muianga@virconn.com
<p>Cross-cutting</p> <p>Donor: Petra Lantz lantz@unfpa.uem.mz Lidia Meque lidia.meque@dfa.ie</p> <p>GoM: Rodrigo Ramalho Rodrigo_ramalho6@hotmail.com</p>	Gender	Petra Lantz lantz@unfpa.uem.mz Lidia Meque lidia.meque@dfa.ie	Maimuna Ibrahim mibraimo@gempfmz.org
	Environment	Hans – Hessel Anderssen hanhes@um.dk	Rodrigo Ramalho rodrigo_ramalho6@hotmail.com
	HIV/AIDS	Marcia Colquhoun marcia.colquhoun@international.gc.ca Carolyn Forkin cforkin@worldbank.org	Pascoa Themba pascoa.themba@cncs.org.mz