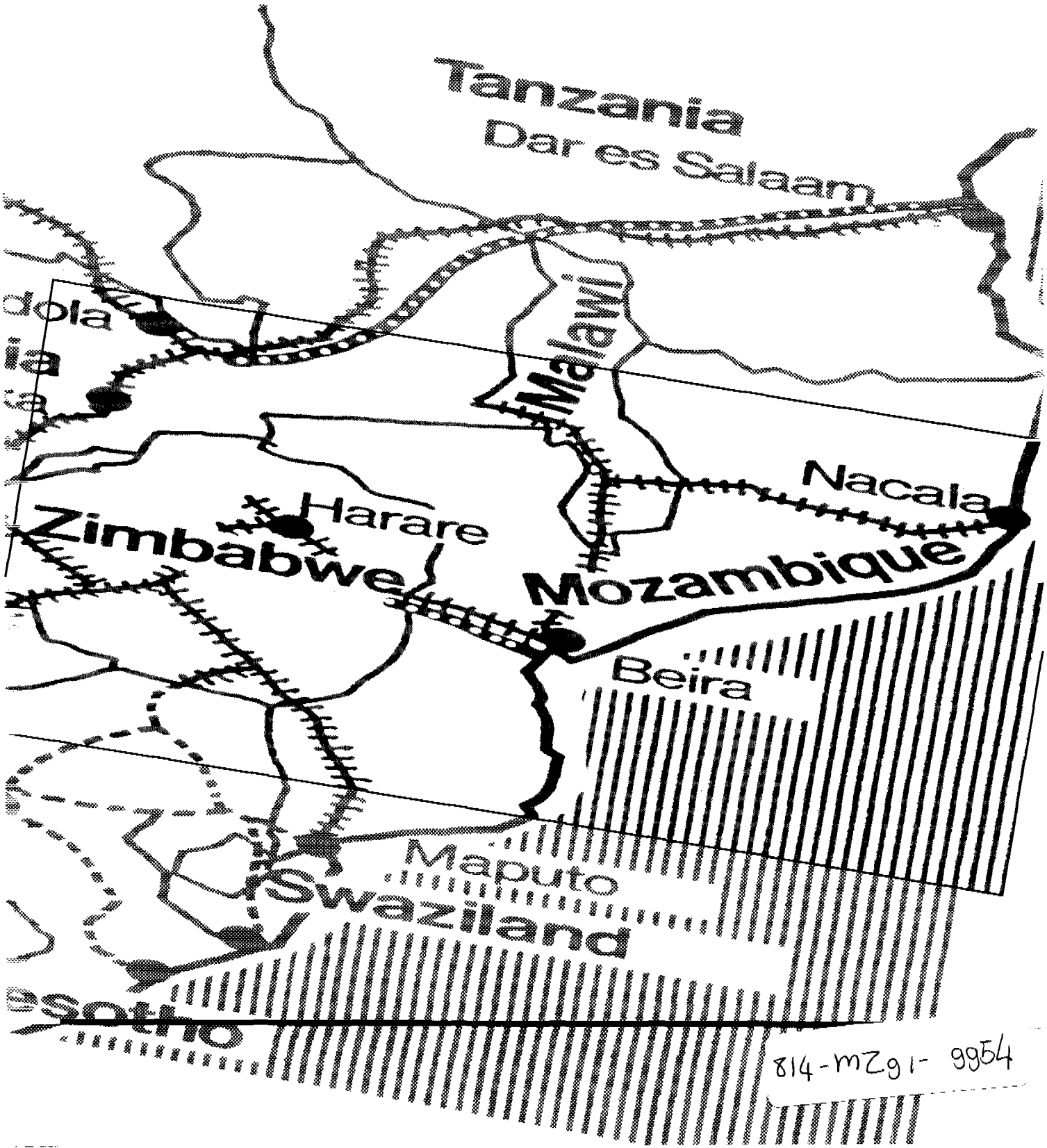


# Capacity-building in Mozambique

*The Commonwealth Contribution*

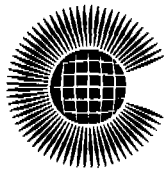


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# *Capacity-building in Mozambique*

*The Commonwealth Contribution*

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## C O N T E N T S

- 1. Mandate and Resources** Page 1  
Help from the Developing Commonwealth Page 4
- 2. Management and Programming** Page 6
- 3. Institutional Development: Re-assessing Technical Assistance** Page 9
- 4. General Technical Assistance** Page 11  
Beyond Gap-filling: Assistance to Eduardo Mondlane University Page 12  
English Language Training for Telecommunications Page 13  
Food Security and Market Economics Page 14
- 5. Fellowships and Training Programme** Page 15  
Training of Trainers Page 16  
Counterpart Training Page 17
- 6. Promoting Market Structures** Page 18
- 7. Export Market Development** Page 19  
Exports and Economic Recovery Page 20
- 8. Industrial Development Unit** Page 21  
Nuts-and-Bolts Help from IDU Page 22
- 9. Technical Assistance Group** Page 24  
Preparations for Multi-Party Elections Page 26  
Consultancy as Skill Transfer Page 27
- 10. The Next Two Years** Page 29
- 11. After 1993** Page 30

## A N N E X E S

- I Pledges and Payments** Page 32
- II Provisional Allocations for 1991/92 and 1992/93** Page 34  
(based on assumed resources of £6.5 million)
- III Provisional Allocations for 1991/92 and 1992/93** Page 35  
(based on assumed resources of £9 million)

We see Mozambique in a key geographical position in relation to the Front-Line States. If the region is to cease to be hostage to South Africa, special and urgent attention must be given to the needs of Mozambique. We have therefore decided to establish a special fund to provide technical assistance to Mozambique.

*(Okanagan Statement and Programme of Action, Vancouver, October 1987)*

Mozambique has stood at the forefront in the struggle for democracy and human rights here in Southern Africa, steadfastly opposing racist minority Government in what was once called Rhodesia and against apartheid in South Africa. For its principled commitment to these values Mozambique has paid a tremendous cost in human and material terms.

*(Chief Emeka Anyaoku, Maputo, February 1991)*

## MANDATE AND RESOURCES

**A**t the opening ceremony of the Commonwealth-supported Seminar on Preparations for Multi-Party Elections, Commonwealth Secretary-General Chief Emeka Anyaoku spoke of the close relationship, sustained by common objectives, which the Commonwealth has developed with Mozambique since independence in 1975. Commonwealth assistance in establishing the institutional infrastructure for multi-party democracy is part of a wider Commonwealth contribution to capacity-building in Mozambique.

The Commonwealth Secretariat's current activities in Mozambique, which are managed by the Commonwealth Fund for Technical Co-operation (CFTC), derive from the Okanagan Statement of policies and measures to encourage change in Southern Africa adopted by Commonwealth Heads of Government in 1987. The Special Commonwealth Fund for Mozambique began operations soon after the Commonwealth Secretary-General signed a Memorandum of Understanding with the Mozambique Foreign Minister in March 1988. In 1989 Heads of Government at Kuala Lumpur commended the Special Commonwealth Fund for Mozambique and recognised the importance of continuing contributions in view of Mozambique's key geographical position and its role in Southern Africa. Successive meetings of the Commonwealth Committee of Foreign Ministers on Southern Africa have also urged Commonwealth Governments to support the Fund so that its activities can be maintained for a full five years.

Mozambique has rapidly grasped CFTC's areas of comparative advantage and its ability to fill the gaps left by larger and less flexible co-operation programmes and now has a ready appreciation of what the Fund can provide. The Secretary-General received first-hand testimony of the Fund's effectiveness when he visited Maputo in February 1991. He was left in no doubt by President Chissano and his Ministers about the importance they attached to CFTC assistance and their strong desire that it should continue.

Mozambique is currently engaged in profound political and economic change, struggling in very difficult circumstances to achieve peace and civil order and to secure human rights and an open plural society as a basis for economic growth and social development. The resources available for the Commonwealth multilateral contribution to this process are modest in relation to total international assistance to Mozambique — even more so in relation to the enormity of the task of reconstruction. The Secretariat therefore recognises a particular obligation to ensure that the scarce resources entrusted to it are applied flexibly, innovatively and effectively, with the maximum impact on the country's long-term priorities.

### *PLEDGES, EXPENDITURE AND COMMITMENTS*

CFTC activities in Mozambique differ in certain respects from CFTC programmes in Commonwealth member countries. Since it is not a member of the Commonwealth, Mozambique does not have access to regular CFTC



# SEMINÁRIO SOBRE A PREPARAÇÃO DE ELEIÇÕES MULTI-PARTIDÁRIAS

Commonwealth Secretary-General (second left), with Mozambican Ministers, opens Multi-Party Election Seminar, Maputo, February 1991

funds, except as a beneficiary of certain regional projects. A sustained fund-raising effort has had to be organised to establish and build up the Special Fund. Financial contributions have been pledged by Australia, the Bahamas, Barbados, Botswana, Britain, Canada, Cyprus, Ghana, Guyana, Malaysia, New Zealand, Nigeria, St Kitts-Nevis, Sierra Leone, Singapore, Trinidad and Tobago, Uganda and Western Samoa. (A list of pledges and payments at 1 September 1991 is at Annex I.) Malta and Singapore have promised training places. The Non-Aligned Movement's AFRICA Fund decided at its meeting in Windhoek in December 1990 to make a special contribution in recognition of "the exceptional gesture on the part of the Commonwealth". Contributions for specific projects have been made by Canada's International Development Research Centre and International Centre for Human Rights and Democratic Development.

Nevertheless, uncertainty about resources has been a significant factor. In 1989, attention was drawn to acute resource constraints. These were temporarily overcome, but by mid-1991 the Fund, despite increasing demand for CFTC's services, was once again obliged to limit programming activity. Pledges at 1 September 1991 were estimated at £5.96 million in sterling terms against the £10 million target set by the Commonwealth Secretary-General at the Fund's inception, while expenditure and commitments including an allowance for administrative expenses stood at £5.46 million extending into 1992/93 (see table below). Allowing for projects in the pipeline and for funds ear-marked for specific training activities, the Fund was thus fully committed. Forward commitments include only those projects for which a detailed assessment has been presented to CFTC's Managing Director or in the case of the Fellowships and Training Programme (FTP) to the Programme's Director, and approved. Most FTP 'projects' are presented for approval only when a candidate has been placed. Commitment figures do not therefore take account of a significant number of planned projects still in the pipeline.

Expenditure and commitments are broken down by Financial Year as follows:

		Projects	Administration	Total
		£	£	£
1987/88-88/89	actual	940,748	71,729	1,012,477
1989/90	actual	1,156,263	94,279	1,250,542
1990/91	provisional	1,737,159	113,267	1,850,426
1991/92	commitment	753,390	125,000	878,390
1992/93	commitment	345,280	125,000	470,280
<b>TOTAL</b>		<b>4,932,840</b>	<b>529,275</b>	<b>5,462,115</b>

There are welcome indications of continued support and even of new interest. Yet unless the Fund is promptly and generously replenished, the steady build-up of activities to date will have to be cut back in 1991/92 and only residual activity will be possible in 1992/93. This would be all the more regrettable because the CFTC is now particularly well-placed to build on the successful experience of its first three years of operations in Mozambique, and its planned activities are targeted on key objectives in capacity-building



## Help from the Developing Commonwealth

Assistance to Mozambique from developed Commonwealth countries is well-recorded, but the bilateral response of Commonwealth developing countries to the Okanagan Statement, though generous, has been often overlooked. Because much of this assistance has been to refugees or discussed directly between governments outside the Official Development Assistance 'system' or in cash or kind, it has not been well-documented. The Southern Africa Research and Documentation Centre (SARDC) has put together in one accessible document information on assistance to Mozambique from Commonwealth developing countries in fulfilment of the Okanagan mandate. A number of neighbouring Commonwealth countries, notably Malawi, Tanzania, Zambia and Zimbabwe, have been involved in operations against armed bandits, protecting road and rail routes or providing military training, but only 'non-lethal' assistance was included in the SARDC study and contributions to the Special Commonwealth Fund for Mozambique were excluded.

Assistance by Malawi, Swaziland, Tanzania, Zambia and Zimbabwe to well over a million Mozambican refugees is described by SARDC but, because of the difficulty in quantifying costs, is not included in computations of total transfers which SARDC estimates amount to a total of over £10 million (\$19 million) between October 1987 and December 1990. Eleven developing Commonwealth countries have been identified as providing bilateral assistance to Mozambique in cash or kind.

Major developing Commonwealth donors to Mozambique are identified in the table below.

Transfers to Mozambique (October 1987-December 1990)	
	US\$000
Botswana	6,227
Ghana	500
India	4,451
Nigeria	1,052
Pakistan	282
Tanzania	144
Zimbabwe	6,828
	<u>19,484</u>

Botswana has provided railway sleepers manufactured in Botswana for the Limpopo line at a cost of P7.1 million (\$3.6 million), as well as food and clothing worth P5 million (\$1.7 million). India has provided tents, blankets and other essential equipment for Mozambican railway workers, as well as consumer durables and capital equipment for factories producing agricultural tools.

Malaysia, through the AFRICA Fund to which \$2 million has been committed, is providing food, clothing and medicine which had not been costed and quantified when SARDC compiled its report. Nigeria has provided assistance for Mozambican refugees via the OAU, and the UNHCR and has sent relief materials to Mozambique. Under a two-year bilateral technical assistance programme, Nigeria provided 20 technical assistance personnel, including architects, doctors, nurses and engineers at a total cost of \$280,000. Tanzania and Zimbabwe have provided humanitarian assistance to Mozambique through people-to-people programmes organised by non-governmental Friendship Associations TAMOFA and ZIMOFA.

Zimbabwe's assistance to Mozambique is very varied, including labour and materials for railway rehabilitation, teacher training, and emergency and development assistance for refugees. The direct costs of Zimbabwe's contribution to the rehabilitation of the railway line to Beira (the Beira corridor) is estimated at \$2.5 million. The equivalent figure for the Limpopo rail link is \$3.65 million.

Typical of the response of Commonwealth neighbours to the needs of Mozambican refugees is the contribution of the Zimbabwe Ministry of Education and Culture to providing education and teacher-training in the refugee camps. With assistance from the German Otto Beneke Foundation, 100 Mozambican teachers have been trained by the Ministry's Department of Adult and Distance Education. The programme is run in conjunction with Mozambique and graduates will be awarded recognised Mozambican certificates which can be used when they return home. Meanwhile they are teaching in the refugee camps in Portuguese, using the Mozambican curriculum. A similar approach is being adopted in Malawi.

and the implementation of structural adjustment. 'Minimum' and 'maximum' provisional programme allocations, based on varying assumptions about the availability of resources, are set out in Annexes II and III.

## MANAGEMENT AND PROGRAMMING

**T**HE CFTC HAS DEVELOPED A special approach to programming for Mozambique, a country which shares neither the language nor the traditions of law and institutional development common to most Commonwealth countries. The Special Commonwealth Fund for Mozambique (SCFM) has been designed as a five-year, pump-priming programme, aimed at mobilising resources for Mozambique, making an enduring contribution and building and strengthening contacts which can be maintained on a bilateral basis once the Okanagan mandate has been discharged.

Because of the programme's short duration and the relative inexperience of most CFTC divisions in operating in Mozambique before 1988, there has been a need for close and sustained management. For the same reason, a more integrated and pro-active approach has been adopted than is generally practicable in CFTC's regular country programmes. CFTC has actively explained what the Commonwealth has to offer and matched these areas of comparative advantage with Mozambique's needs and priorities articulated in the Economic and Social Recovery Programme, Economic Policy Framework Papers and other policy documents which have been closely studied and discussed with the Mozambican authorities. CFTC has also ensured that its programming augments and complements the bilateral programmes of Commonwealth governments. This has involved continuing consultation not only with the Australian International Development Assistance Bureau (AIDAB), the Canadian International Development Agency (CIDA) and the British Overseas Development Administration (ODA), but also with Commonwealth developing countries actively engaged in assisting Mozambique, including India, Malaysia, Nigeria and Zimbabwe (see *Help from the Developing Commonwealth*, Page 4), as well as with the AFRICA Fund.

### EVALUATION

The programme has been reviewed by independent consultants retained by CIDA and this booklet benefits from insights and information contained in their draft report. It is hoped that the final report can be made available to interested Commonwealth Governments and other agencies. An evaluation of SCFM's assistance to Mozambique's mineral and petroleum sector will be carried out by CFTC's evaluation section in 1992.

### MOZAMBIQUE'S PRIORITIES

The Government of Mozambique identified transport and communications and agriculture as sectoral priorities for Commonwealth assistance together with institutional and human resource development in all sectors. Recognising the potential contributions of CFTC's specialised programmes to promoting market structures and strengthening institutions with responsibility for national economic management, Mozambique expressed a lively interest in CFTC's services in natural resource development and economic and financial management, as well as in export marketing and industrial rehabilitation and development. Mozambique also asked for a contribution to the foreign exchange costs of technical assistance personnel from Commonwealth countries recruited directly by the Government of Mozambique.

### CFTC'S RESPONSE

The assured resources available to CFTC for use in Mozambique were initially very limited indeed. CFTC management therefore had to get the new programme off the ground quickly and to demonstrate to Commonwealth Governments what Mozambique needed from CFTC and how these needs could be met.

The design of the Commonwealth's multilateral programme in Mozambique has been based on three underlying considerations: Mozambique's development priorities; CFTC's own areas of comparative advantage; and the strengths and development potential of the resource base offered by the Commonwealth as a whole — resources of training and skilled personnel as well as institutional capacity and a network for functional co-operation.

### PRAGMATIC CONSIDERATIONS

Pragmatic considerations shaping the programme include such factors as the infrastructure and absorptive capacity of recipient agencies in Mozambique; the availability of counterparts for technical assistance personnel; the scope for relatively quick and tangible results, given the need to work within a five-year time-frame; and the need (critical at the beginning of operations) to demonstrate CFTC's potential both to the Mozambique Government and to Commonwealth donors.

### AN ENDURING CONTRIBUTION

At the same time, CFTC has sought to make an enduring contribution by assisting in human

resource and institutional development and in promoting relationships which can be sustained after the Special Commonwealth Fund ceases to operate in 1993. To this end the Secretariat has worked to strengthen functional linkages between Mozambique and Commonwealth countries, particularly sub-regional co-operation within Southern Africa. With the exception of South Africa, all Mozambique's neighbours are English-speaking Commonwealth countries. English language training in a variety of contexts has therefore been a major priority.

In response to Mozambique's preoccupation with institutional development and to increase the impact of the assistance provided, special efforts have been made to integrate and reinforce activities by co-operation. For example, counterpart training has been provided in association not only with long-term experts, but also with consulting contributions from the specialised programmes. The specialised programmes co-operate in providing consulting inputs to the mineral sector.

#### SMALL PROJECTS — COHERENT RESPONSE

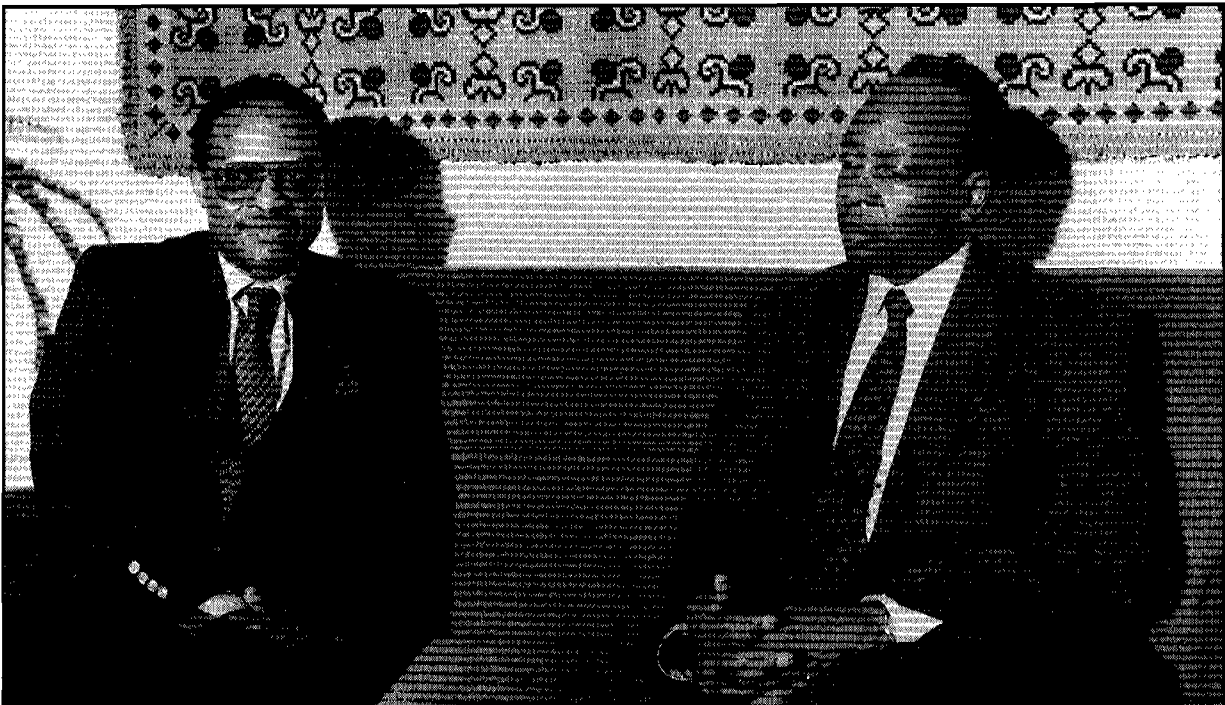
The SCFM programme within these overall themes and priorities involves a large number of small projects executed by all five CFTC programmes. An official of a bilateral aid organisation interviewed by independent consultants retained by the Canadian International Development Agency (CIDA) to review the programme saw this diversity as a strength:

"It consists of a number of small projects filling important gaps which are not replicated by other agencies. It is a small organisation doing a lot of small projects very well. Its smallness allows it to move quickly and to be highly responsive."

A Mozambican, commenting on the achievements of the Industrial Development Unit (IDU), made the same point from the recipient's perspective: "It's easy to get millions of dollars, but it's much more difficult to solve small problems." Nevertheless, the large number of small "projects" (totalling 170 at 1 August 1991), which constitute the Commonwealth's multilateral contribution to capacity-building in Mozambique, adds up to a coherent response to Mozambique's economic and social strategies.

IDU has succeeded in restoring to full capacity nine factories which were virtually moribund or at best operating well below capacity and has provided continuous advisory services to assist Mozambique in managing and monitoring two major capital projects funded by a bilateral donor. The Export Market Development Division (EMD) has provided a sustained but flexible package of consulting inputs directed at the reform and strengthening of the institutional infrastructure for exports as well as marketing of specific products. CFTC's in-house consulting group, the Technical Assistance Group (TAG) has provided legal, financial and technical advice at critical moments to the National Directorate of Mines, the Office of Foreign Investment Promotion and the National Oil Production Company (ENH).

Commonwealth Secretary-General (left) with Mozambique's Foreign Minister Pascoal Mocumbi



This advice has been directed to policy formulation and in support of negotiations with investors. In addition to a large number of awards to individual candidates nominated by the Government of Mozambique, small block grants have been provided by the Fellowships and Training Programme (FTP) to selected faculties at the Eduardo Mondlane University. These grants have *inter alia* permitted biology and geology students to do field work in Zimbabwe which the security situation

makes impossible at home, the rehabilitation of laboratories with help from the University of Zambia, and institutional links with universities in Southern Africa which will assist both undergraduate teaching and staff and curriculum development. The General Technical Assistance (GTA) programme has funded consultancies which have contributed to institutional strengthening in a variety of contexts, including the University, Food Security, and Government Information Services.

**EXPENDITURE BETWEEN 1988 AND 1991 BY PROGRAMME AND FINANCIAL YEAR.**

	1987/88 (3 months)	1988/89	1989/90	1990/91*	Total
EMD	—	34,074	49,460	169,727	253,261
FTP	19,423	218,182	374,092	599,703	1,211,400
GTA	3,657	353,424	489,867	686,635	1,533,583
IDU	61,706	199,484	125,946	185,098	572,234
TAG	11,181	39,617	116,898	95,996	263,692
Total Programme	95,967	844,781	1,156,263	1,737,159	3,834,170
Admin	5,450	66,279	94,279	113,267	279,275
Total	101,417	911,060	1,250,542	1,850,426	4,113,445

\* provisional

## INSTITUTIONAL DEVELOPMENT: RE-ASSESSING TECHNICAL ASSISTANCE

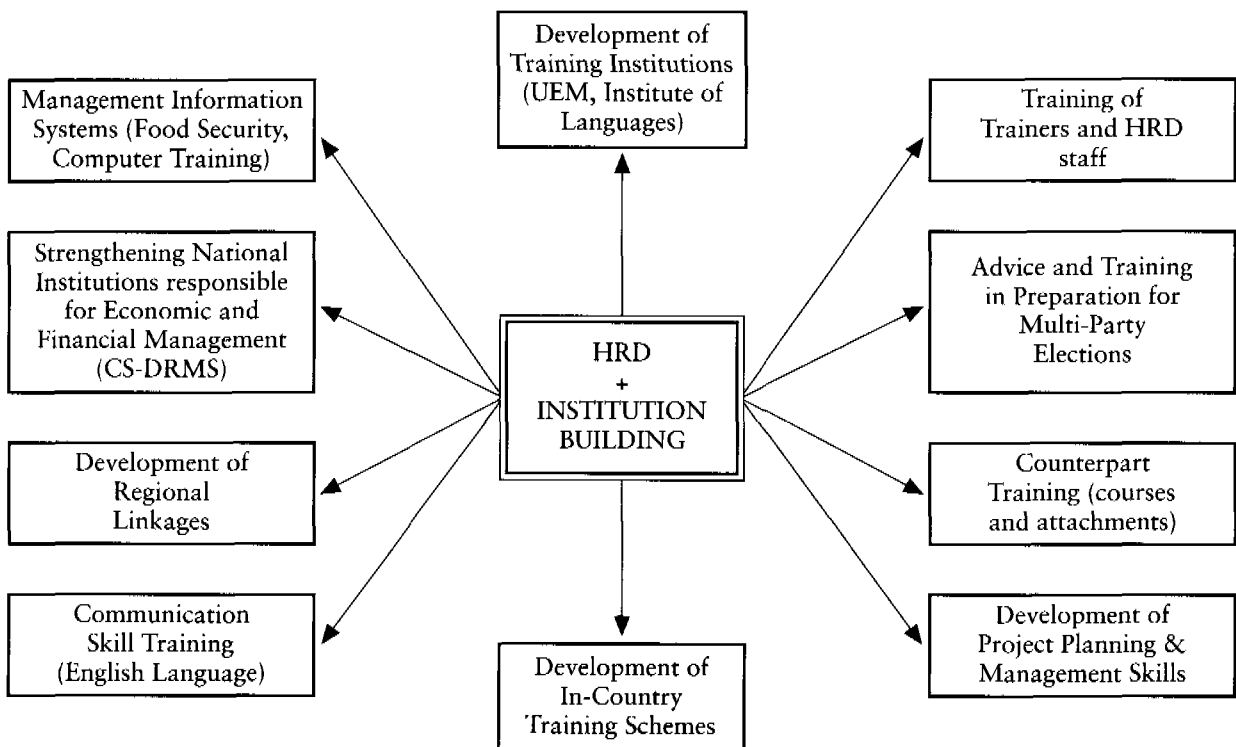
**I**NSTITUTIONAL DEVELOPMENT AND effective skill transfer has become a major preoccupation of the Mozambique Government in reassessing technical assistance policies and programmes. This reflects a wider concern among both the donor community and recipient governments in Africa about the high cost of technical assistance and its low return, the problems of absorbing large numbers of foreign experts and the poor results achieved by much conventional technical assistance in skill transfer and capacity-building. It is widely recognised that in Mozambique economic and social policy must be directed towards overcoming long-term obstacles to development by creating greater institutional capacity and increasing the supply of skilled human resources.

Mozambique's 1990 *Technical Co-operation Policy Framework Paper* articulated the Government's policy of focusing technical assistance on the development of human resources and institutional capacity. This paper defined technical co-operation as a process of transferring skills and know-how in order to enhance national human

resources and increase institutional capacity-building. Central objectives are **strengthening institutions responsible for macro-economic and financial co-ordination and management**, the **training of counterparts** to complement technical assistance, the development of **centres of competence** and the use of technical co-operation to **train trainers and upgrade training institutions**. Other specific goals of Mozambican policy in this area are to promote **interchange with foreign research institutions**, giving priority to institutions in Africa and elsewhere in the developing world. Within its operational and financial limitations, CFTC's Mozambique programme has been directed to these objectives and has also supported a number of priorities in the Government's economic recovery programme such as industrial rehabilitation and increasing export earnings.

The diagram below illustrates how **Human Resource and Institutional Development** has emerged as the central theme of Commonwealth activities in Mozambique. These activities are briefly described in the sections which follow.

The CFTC has assisted education and training



institutions including the Eduardo Mondlane University, the Telecommunications Training Institute, and the Institute of Languages. Institutional strengthening has been a focus of support for the Ministries and Government Agencies with which CFTC co-operates, for example the Ministries of Agriculture, Co-operation, Finance, Mineral Resources, Trade (both the National Directorate of Exports and the Department of Food Security), Transport and Communications, the Bank of Mozambique and the Office for Foreign Investment Promotion. In addition to providing long-term formal education and training to upgrade skills, capacity-building has also been assisted by in-country training, including 'on-the-job' training built into technical assistance, and by short courses and attachments, including English language training for key officials responsible for planning and managing technical assistance and training and who deal with donors and external investors.

#### *SKILLS SHORTAGE*

Mozambique is critically short of trained people at middle and senior levels in all sectors of the economy, a shortage rooted in the denial of education, training and employment opportunities to Africans during the colonial period and in the mass exodus at independence of Portuguese from both private and public sectors. The Government was left with no option but to fill vacant posts with the citizens

available, the majority of whom had limited basic education — usually six to nine years — and lacked practical skills and experience. Efforts to remedy this situation since independence have been directed at formal and technical education, especially at basic and intermediate levels. There has been limited training in management skills and there is still no training institution for senior managers. Training for managers has depended on courses outside Mozambique and short in-country seminars. In-country education and training has been seriously handicapped in recent years by acute budgetary constraints and, particularly in the provinces, by war, banditry and Renamo's systematic destruction of government infrastructure. Until recently there has been very little attempt to provide the economic and financial management skills required to run a market economy. The shortage of managerial and technical skills for enterprise operations is identified among structural problems and constraints to growth in Mozambique's 1990-92 *Economic Policy Framework Paper*.

Against this background CFTC has supported in-country education and training under the General Technical Assistance (GTA) programme and provided training outside Mozambique through the Fellowships and Training Programme (FTP) in areas where in-country training is not readily available.

## GENERAL TECHNICAL ASSISTANCE

**E**XPENDITURE AND COMMITMENTS by the General Technical Assistance (GTA) programme at 31 July 1991 amounted to £1.96 million. GTA has responded to Mozambique's policies and priorities for technical assistance. Although this approach is not adopted in CFTC's regular programming, SCFM has provided a mechanism for meeting the foreign exchange components in the salaries of experts from Commonwealth countries recruited directly by the Government. Mozambique has encouraged donors to untie their technical assistance and direct their resources through the budgetary process, with the Government itself contracting the appropriate external assistance. Although the foreign exchange provided under the Commonwealth Fund is tied to experts from Commonwealth countries, the arrangement is flexible and cost-effective and the example has been used by Mozambique to encourage larger bilateral donors to make similar arrangements which permit the Government to recruit skilled personnel from developing countries.

In 1988/89, £296,175 was provided and in 1989/90 £341,510 was provided covering 53 experts drawn from eight Commonwealth countries (Britain, India, Malawi, Pakistan, Sri Lanka, Tanzania, Uganda and Zambia). These experts are working in the Ministries of Agriculture, Construction and Water, Education, Health, Industry and Energy, and Transport and Communications. In 1990/91, £422,256 was provided, and the number of experts involved increased to 72. Seventy-five per cent of the funds provided go to Ministries in the priority transport and agriculture sectors. Total expenditure amounts to £1.06 million over three years, 27.6 per cent of total SCFM project expenditure over the same period. If resources permit, this assistance will be maintained in 1991/92 and 1992/93.

### HIGHER EDUCATION

At the 1990 Consultative Group Meeting in Paris, Mozambique laid stress on redressing major weaknesses in the country's institutional capacity. The *Strategy for Sustained Economic and Social Development 1991-1993* said that in this context "the role of the University will be central." CFTC has developed an integrated programme of technical assistance and training in support of the Eduardo Mondlane University at a cost of some £820,000 (see *Beyond Gap-Filling*, Page 12). GTA's contribution has been the provision of six long-term teaching staff to the Faculties of Economics, Geology, Mathematics and Medicine.

In addition, GTA has addressed curriculum and staff development as well as training and management needs in a series of short-term consultancies, including a visit in December 1990 by the Secretary-General of the Association of Commonwealth Universities (ACU). Dr Christodoulou's visit is expected to result in greatly strengthened links with Commonwealth universities, particularly in Southern Africa. His report also proposed a low cost approach to meeting the University's immediate staffing needs, using the ACU's recruitment service. It is hoped to provide, in co-operation with the Ford Foundation, the consulting services of a recently retired Vice-Chancellor from a British university and an experienced university administrator from Southern Africa to assist in developing the University's plans for improved governance, planning and management.

### ENGLISH FOR TELECOMMUNICATIONS

GTA is providing assistance for English Language Training (ELT). Using a grant specially provided by the Australian International Development Assistance Bureau (AIDAB), an English for Specific Purposes (ESP) Course Designer and Lecturer has been provided to the Telecommunications Training Institute in Maputo (see *English Language Training for Telecommunications*, Page 13). She is assisted by short-term technical consultants from Telecom Australia (International). In addition to preparing an ESP curriculum and training counterparts, her presence has also made it possible for telecommunications personnel proceeding for training outside Mozambique to take pre-session English courses. This Australian-funded but CFTC-managed technical assistance effectively complements capital assistance provided under Australia's bilateral assistance programme.

### INFORMATION SYSTEMS

All GTA projects in Mozambique are either directly concerned with teaching and curriculum development or with other forms of capacity-building, in which a common theme has been the development of effective management information systems. Under the Australian country training programme, a short-term consultant was provided to the Department of Food Security in the Ministry of Commerce to develop a food security information system for the provinces (see *Food Security*, Page 14). GTA will also provide the long-term services of an information systems specialist in support of a Canadian (IDRC) and Swedish (SAREC) supported



### Beyond Gap-filling: Assistance to Eduardo Mondlane University

Mozambique's Eduardo Mondlane University (UEM), as the primary source of the trained leadership required to see through the successful implementation of economic and political restructuring, is pivotal in the development of Mozambique human resources and institutions. At independence only eight per cent of Mozambicans were literate. This shocking historical legacy still makes itself felt in a huge shortage of trained intermediate level personnel. Senior positions in government and industry are filled by able and well-qualified Mozambicans but there are yawning gaps at the middle level.

At present, the University has 3,300 undergraduates — a big advance from only 750 in 1978. By 1993 UEM's total enrolment is expected to be about 6,000 students. An unusually large percentage (34 per cent) of the students are enrolled in sciences and engineering. Two-thirds of the teaching staff are Mozambican (as compared to three per cent in 1975), but 70 per cent are recent graduates with less than five years' experience.

UEM still relies on foreigners to fill the gaps in its faculties. This shortage is particularly acute at this time because of two factors:

- changes in Eastern Europe and the withdrawal of many Soviet and East German lecturers, especially from the engineering, mathematics, medicine and science faculties and
- growing competition for educated manpower from the private sector and aid agencies, who have hired away some of UEM's most talented staff,— the Faculty of Economics is particularly seriously affected.

Despite these handicaps, UEM remains a major centre of expertise, carrying out many national research and development tasks. This critical role in Mozambique's institutional development is increasingly recognised. The Government plans to double the share of the educational budget devoted to higher education during this decade from 8.6 per cent to 17.9 per cent.

The CFTC's initial contribution to the Faculties of Economics, Geology, Mathematics and Medicine could be characterised as gap-filling, but it quickly grew into a broad-based and integrated programme of human resource and institutional development. Working together,

faculty directors and lecturers at UEM and CFTC headquarters staff have evolved activities designed to strengthen not only the capacity of the departments and faculties in which the CFTC lecturers work, but also the university as a whole.

The process has been low-key and unobtrusive, building on the close working relationships which have developed between SCFM lecturers, CFTC headquarters staff and Mozambican faculty members. This low-cost but broad-based staff development programme involves:

- on-the-job coaching and curriculum development.
- FTP-supported post-graduate and short-course training for lecturing staff and technicians, and training in management and English for faculty deans and department heads.
- involvement in curriculum development and training of trainers (especially in geology and medicine) — an Australian epidemiologist has helped design the training curriculum for the large cadre of middle level health workers and arranged an exposure on teaching methods and curriculum design for two Mozambican faculty members in Australia. An Indian professor, formerly of the University of Dar es Salaam, has been engaged in curriculum development for the geology faculty.
- support for the development of research and staff development activities involving linkages with Commonwealth universities
  - examples include epidemiological research supported by an Australian university and co-operation with British Council-sponsored link schemes.
- upgrading departmental libraries, laboratories and computer facilities by the purchase of books, materials, and computer equipment (£5,000 per expert).
- an innovative, low-cost regional networking scheme aimed at making contact with and tapping resources from other Southern African universities.
- the development of a possible strategy for recruiting teaching staff, involving collaboration between UEM and the Association of Commonwealth Universities (ACU).
- proposals to develop the skills of UEM managers.

institutional development project for the National Institute of Health.

#### **DEBT MANAGEMENT**

A resident adviser has been provided in the Public Debt Division of the Ministry of Finance to assist in the implementation of a debt management system based on the Commonwealth Secretariat's software CS-DRMS.

#### **PROVINCIAL TRAINING**

Fundamental to Mozambique's economic recovery and the establishment of good governance is the training of provincial officials in planning and financial management with particular reference to the skills required in the transition to a market economy. Responding to a need first identified by FTP, GTA provided, in association with the Eastern and Southern African Management Institute (ESAMI), a consulting team consisting of a Tanzanian financial management consultant and an economic planning specialist from Britain to undertake a training needs assessment and project design mission in Northern Mozambique. Their findings are being studied by the Secretariat and have also been circulated to major donors with an interest in this area, including the EC, UNDP and

the World Bank. As a first step CFTC has offered awards to ESAMI so that two staff members can take intensive Portuguese in Lisbon and Maputo, essential if they are to collaborate with the Eduardo Mondlane University and the Institute of Commerce in developing training courses in Nampula for Mozambique's three northern provinces.

#### **AGRICULTURE AND RURAL DEVELOPMENT**

Consistent with GTA's major programme thrust, a number of agricultural and rural development projects have been identified by the Secretariat's Food Production and Rural Development Division which will be implemented as funds become available. These projects, which include support for the management of agricultural research, extension services and pasture resources, as well as contributions in forestry, small stock, and small-holder sugar cane, have been designed to take advantage of the Commonwealth's potential for promoting long-term institutional linkages, particularly with centres of excellence in Commonwealth developing countries. This offers the opportunity of a sustained and integrated approach to both technical assistance and training in an area critical not only for economic growth but also for the alleviation of Mozambique's extreme and persistent poverty.

#### **English Language Training for Telecommunications**

Australia has been supporting infrastructural development in the telecommunications industry in Mozambique through its bilateral programme and identified a need for ELT to complement their efforts. In 1979 AIDAB approached CFTC to set up and manage a three-year English for Special Purposes (ESP) programme for the telecommunications sector. Using the AIDAB grant of A\$250,000 CFTC recruited from Australia an experienced English Language adviser, supported by short-term technical consultancies from Telecom Australia International (TAI), to develop a programme in technical English for the Telecommunications Training Institute in Maputo

The adviser works with a group of four Mozambican lecturers in developing and running English language courses for technicians and engineers. The English courses are part of the ten-week technical courses at the Institute and include both elementary courses and courses in technical English. The aim is to give the technicians access to technical language so they can use it in the work context. A good deal of the adviser's time has gone into improving the courses and developing new

teaching materials. On this aspect she has been assisted by short-term consultants from TAI

The adviser has also focused some of her efforts on upgrading the skills of the four Mozambican lecturers. She arranged through FTP for her Mozambican counterpart to attend a two-year degree course in Australia, which includes practical attachments with the Adult Migrant Education Service (the largest English as a Second Language training programme in the world). She also runs one-day training seminars for the Mozambican staff twice a month

As an additional task, the adviser has been asked to design and run crash courses for engineers and technicians going overseas for training in (approximately 50 per year) - training in 'survival English'. In addition managers of the telecommunications company have requested training in 'defensive English' - English for negotiating with foreign companies who want to sell equipment to Mozambique. Finally, she has also been asked to help in extending the English programme to the provinces. In August 1990 she visited Beira to assess needs and priorities in technical English of the Beira Telecommunications Training Centre.

### Food Security and Market Economics

A major Mozambique policy objective is to promote market structures. CFTC has contributed to this in the critical area of food security. In September 1990 GTA provided a short-term consultant, funded from the Australia-Mozambique Training Programme, whose task was to design a computerised food security information system for the Department of Food Security in the Ministry of Commerce and to train provincial food security co-ordinators. Counterpart training in English and computing was provided by FTP.

The consultant designed a system which covered information collected by three Ministries, Commerce (Department of Food Security), Agriculture (Department of Agricultural Statistics), and Health (Nutrition Section). The objective was to integrate the food security data collection activities of these three departments and thus prepare the ground for an information system which would eventually be managed from the Office of the Prime Minister. Regular submissions to the Director for comment as well as two formal submissions ensured that the consultant's prescriptions were closely related to the needs of departmental managers. Working Papers were prepared and teaching materials developed for a pilot course which with only minor modifications can be used on future courses by the consultant's counterparts. The training course took place in Beira, providing a rare opportunity for middle level technical staff to visit another province and discuss work problems with their colleagues.

No single counterpart was immediately avail-

able for training, but the consultant worked with three middle-level technicians who had previously been given English language training under the FTP programme and taught them to understand and manage the system.

Typical of the staff in the Department, all three had trained in food distribution in centrally planned economies and the consultant spent many hours teaching them to think in new ways. It was necessary to break the logic and patterns of thought associated with a command economy and explain how markets work — the dynamic relations between demand, price and supply — and to get across the idea that markets can be deliberately manipulated to distribute food. By the time the pilot training course was held in Beira, the counterparts understood the concepts behind the tables and graphs well enough to teach them to their colleagues from the provinces.

The consultant identified two areas which CFTC could usefully provide further assistance, leaving the major task of completing the computerisation of the system to the World Bank and the FAO. One area is English Language and Computer Training for the Department's staff which could be carried out in Zimbabwe.

A second and challenging task, which CFTC is already addressing in a different context, is providing provincial officials in the Ministries of Agriculture and Commerce with the necessary management and economic skills to cope with the fundamental changes taking place in the management of the Mozambican economy and the profound effects this will have on food production and distribution policies.

Lecturer in Systems Analysis K. Sarukesi with Eduardo Mondlane University students



## FELLOWSHIPS AND TRAINING PROGRAMME

**O**VER THREE YEARS FTP HAS provided some 1,800 person-months of training involving more than 250 trainees of whom 160 have been placed in countries in the SADCC region, mainly Zimbabwe. FTP expenditure and commitments at 31 July 1991 amounted to £1.55 million, 56 per cent of which is accounted for by special Australian-funded programmes providing training in Australia and the SADCC region. Australia has entrusted CFTC with the management of the greater part of its bilateral training programme for Mozambique together with a special programme involving placements in Australia. This has involved pledging an additional Australian contribution to SCFM of A\$3.95 million (£1.8 million).

### A PRO-ACTIVE APPROACH

Human resource planning in Mozambique is still under-developed and there is little information available on requirements. FTP has taken an active part in each stage of training delivery — the assessment of training needs, selection of candidates, identification of training institutions, the design of an appropriate training programme for each candidate, logistical arrangements for training, and monitoring the actual training. Since February 1991 a part-time Programme Support Officer has been working in the Ministry of Co-operation, largely on FTP activities, and a Mozambican counterpart is working with her.

To identify training needs, FTP collected information from ministries and assessed priorities. Because of low educational standards and language problems FTP has had to ensure that candidates meet the academic prerequisites of external training institutions and have the necessary English language skills. The Institute of Languages was encouraged to set up a special English language testing procedure, less elaborate than the tests required for entrants to Australian and British universities. FTP has helped to organise remedial or pre-sessional training, especially in English language, to prepare students for academic study. Where Mozambican candidates lack the necessary academic requirements for a formal course, FTP has arranged practical attachments and other forms of tailor-made training, which do not require advanced academic qualifications.

### TYPES OF TRAINING

The FTP provides four basic categories of training:

- formal training leading to a certificate, diploma, degree, or post-graduate degree

- shorter intensive courses focusing on a more narrowly defined skill or subject matter
- non-formal training (i.e. not taking place within a training institution) involving practical work attachments, study visits, or participation in conferences or workshops
- English language training (ELT) — both pre-sessional training and intensive training for key officials.

Roughly equal numbers of grants have been awarded for each of these categories. Formal courses have accounted for over half the budget because of the higher unit costs involved.

### ENGLISH LANGUAGE TRAINING

One-fifth of FTP's projects have had an English language component and about one-third of the trainees supported have received some form of English language training under the Fund. English language training is generally provided as a preparation for vocational or academic courses, but a limited number of awards have been made to key officials who require fluent English for specialised purposes in order to deal with donors and investors or are otherwise engaged in strengthening Mozambique's links with its Commonwealth neighbours or the wider English-speaking world. Recipients of such awards include the Dean of the University's Engineering Faculty (engaged in major loan discussions with the World Bank), the National Director of Exports in the Ministry of Trade, and the recently appointed Deputy Foreign Minister, a former Secretary-General of the Organisation of Mozambican Women.

### ACCESS TO TRAINING

Mozambicans have limited information on what is available in the training market, especially in the Commonwealth — so FTP has identified appropriate training institutions for training. An attempt is being made to transfer skills and knowledge in this area, in order to strengthen Mozambican capacity to select and arrange appropriate training. Courses have been arranged for key human resource technicians in the Ministries of Agriculture and Transport and Communications (see *Training of Trainers*, Page 16).

### PRIORITY SECTORS

Forty per cent of the financial commitments to date have been made to the priority sectors of Agriculture and Transport and Communications, primarily for degree and post-graduate training.

**COUNTERPART TRAINING**

Demonstrating CFTC's commitments to counterpart training, about a third of the awards have been made to trainees from institutions in which CFTC specialised programmes and long-term experts are involved (see *Counterpart Training*, Page 17).

**IN-COUNTRY TRAINING**

One-fifth of the training awards have supported the

development of Mozambique's own training institutions and personnel to help improve the delivery of in-country training. Half of these grants have gone to the University but awards have also been made to the Institute of Languages, the Telecommunications Training Centre, the Institute of Education, the Institute of International Relations, and to various institutions in the agricultural sector as well as to human resource managers in Ministries.

**Training of Trainers**

To support Mozambique's own training institutions and improve the delivery of training within the country, FTP has arranged programmes to expose institutional trainers and personnel officers to modern techniques of training.

One such officer who has responsibility for training in the Directorate of Human Resources in the Ministry of Agriculture described his experience on a Training for Trainers course at the Institute for Development Policy and Management, Manchester University:

"In Mozambique we only use 'chalk — and talk'... and we don't even use much chalk - it's mostly talk! At Manchester I learned many different methods and approaches for training - building a learning environment, getting trainees to take responsibility for their own learning, using group discussion, collective problem-solving, role-playing, case studies and regular evaluation of the learning process. This opened my mind to a totally new approach to learning and it will help me in my work in Mozambique."

He proposes to use his new skills in rehabilitating the training institutions in the provinces:

"Because of the war the training schools in the provinces have many problems but they tend to wait for solutions from Maputo. My aim is to build up their confidence to solve their own problems ... make them more self-reliant and resourceful so that they can start their own training using the resources within their own area. Using a problem-solving approach, they can do a lot of useful training without waiting for help from Maputo. There are 3,000 people in the Ministry of Agriculture all over the country. Fifty per cent need training, but we can't afford to send them all abroad. As a first priority we've got to rebuild our own training institutions. CFTC could help by supporting in-country Training of Trainers courses."

This proposed strategy coincides with a similar development in the Ministry of Health where they are rehabilitating their training institutions, not only the physical structures but also changes in the curriculum and teaching methods, and upgrading the skills of teaching staff.

A Ministry of Health official attended a six-week programme on human resources management and development at the Eastern and Southern African Management Institute in Arusha, Tanzania.

An official of the Ministry of Mineral Resources attended a training programme in human resources development at the Pakistan Administrative Staff College in Lahore.

Mozambican English Language Trainers have been supported on diploma and master's programmes, and the Director and some staff members of the Institute of Languages have benefited from short courses and attachments in the management of further education in Botswana and Zimbabwe.

A year's tailor-made course on human resource planning, covering such areas as job evaluation and training policy, was arranged at Curtin University of Technology, Perth, Australia for the training officer in the Directorate of Human Resources in the Ministry of Transport and Communications.

The CFTC has concentrated its support in this area to selected ministries and training institutions, particularly in the agricultural and transport and communications sectors, including the Human Resource Directorate in both sectors' ministries and the Telecommunications Training Institute. With more resources this support could be expanded to the development of agricultural and health training institutions, including support for in-country Training for Trainers courses to which those who have benefited from the external training would contribute.

### Counterpart Training

GTA experts train their counterparts in the workplace and FTP backs this up with training outside Mozambique. This combination is unusual: the training of counterparts is often neglected in development assistance. CFTC tries to secure a counterpart for each expert and examines each situation to encourage a process of skill transfer leading towards the full assumption of responsibility by the counterpart. Mozambique acknowledges that the low level of experience, skill, and academic training on the part of many counterparts often acts as a block to knowledge transfer. To overcome this, FTP arranges appropriate training, including formal courses or work attachments to accelerate the learning process and make it easier to hand over responsibility.

Counterpart training includes:

- two-year diploma course in English Language Teaching for Specific Purposes (supplemented with a work attachment) for the counterpart to the curriculum development specialist at the Telecommunications Training Institute
- monthly seminars organised by the CFTC specialist for the other ELT lecturers at the Telecommunications Training Institute
- post-graduate (MSc) training for a number of UEM lecturers in Mathematics and Economics
- a one-month exposure to teaching methods in an Australian faculty of medicine for two medical lecturers at UEM
- the staff development/regional linkages scheme involving Mozambican teaching staff in five different UEM faculties
- intensive ELT for the counterparts to CFTC's Food Security Adviser (who knew little Portuguese) followed up with a study visit to observe food management systems in India
- specialised training on export market promotion for the officials working with the EMD consultants
- specialised training on project/financial analysis for two of TAG's key colleagues in the Mines Department and ENH (diploma course, two-week workshop, and TAG attachment).

### PLANNING AND MANAGEMENT

A quarter of FTP's awards have aimed at upgrading project planning, management (including financial management) and public administration skills of key officials, largely through short courses.

### REGIONAL LINKAGES

The FTP has been the single most important vehicle in the SCFM programme for strengthening Mozambique's links with the SADCC region. All of the 'bulk' training (with the exception of one telecommunications course in Australia) has been conducted in Zimbabwe, involving 44 students on six projects (ELT, 'A' levels, diploma courses, and

an English language/computer course). In addition over one quarter of other training projects have been conducted within the SADCC region. Grants have been awarded to the University and the Institute of Languages with the specific purpose of fostering linkages with institutions in the SADCC region. Mozambique can thus build up its own set of contacts and collaborative relationships with the region, so that further training exchanges can be initiated and planned on a sustained basis. Initially, 65 Mozambicans are expected to benefit from this programme of short visits, attachments and courses. To help strengthen the Mozambique-Zimbabwe training link, a grant was awarded to cover the foreign exchange costs of a new education attache shortly to be appointed in the Zimbabwean Embassy in Maputo.

## PROMOTING MARKET STRUCTURES

**M**OZAMBIQUE'S ECONOMIC strategy includes a variety of policies to promote market structures, restore the productive base and improve the management of the productive sector and to allow the Government to focus its scarce resources more precisely on those aspects of development which the private sector is least competent to undertake. These policies include the encouragement of direct foreign investment, the establishment of management contracts with overseas enterprises and the divestiture of public enterprises to both the domestic and external private sectors.

### *THE ENTERPRISE SECTOR*

CFTC's core technical assistance and training programmes are providing assistance to reinforce and develop skills in the public administration and social sectors and to develop institutional capacity. Complementing this contribution CFTC's specialised programmes — EMD, IDU and TAG — whose combined expenditure and commitments at 31 July 1991 amounted to £1.35 million — have focused largely on the enterprise sector. The 1990-92 *Economic Policy Framework Paper* stresses the Government's accelerated programme of reform in this sector. CFTC is also well equipped to assist the Government in implementing its policies for broader structural reform, including greater

incentives for both production and distribution. This involves the promotion of domestic industrial production to facilitate greater, and increasingly efficient, import substitution — providing consumer goods as an incentive to peasant producers.

### *EXPORTS AND INVESTMENT*

Exports are currently at only 13 per cent of import values, but export growth is central in the longer term and to restoring Mozambique's economy to sustainability and equilibrium and particularly to improving its critical balance of payments position. The Government has been encouraged by the extremely rapid growth anticipated from non-traditional export sectors, including industrial and mineral products. The limits to the exploitation of such traditional exports as prawns and the vulnerability of agriculture to climate and disease points to the value of developing non-traditional sectors. The Government's 1990 strategy paper for the Consultative Group comments that in the mineral sector only relatively small levels of investments are necessary to tap this potential. It is recognised that the encouragement of direct foreign investment will be a major factor in generating revenues from this source.

## EXPORT MARKET DEVELOPMENT

**D**URING THE FIRST HALF OF THE Eighties, Mozambique experienced a sharp decline in exports, dropping from US\$280.8 million in 1980 to \$79.1 million in 1986. This was due to a number of factors including:

- drought and destabilisation
- instability of the international economy-low prices to producers and high production costs
- low industrial production due to shortages of raw materials and spare parts
- over-valued currency and high interest rates
- inexperience in international marketing
- lack of a long-term export promotion strategy.

As part of the *Economic Recovery Plan (1987-90)*, the Government initiated a number of measures to improve economic performance:

- liberalisation of economic policies
- adjustments to the exchange rate
- increased prices to producers
- larger allocation of foreign exchange to export production
- withdrawing the monopolies of the state trading companies and involving the private sector in foreign trade
- liberalising some of the export rules and regulations.

These policies created a healthier environment for export development and there was a slight improvement in 1987 and 1988 (\$96.9 million and \$101 million respectively). However, a full-scale revitalisation of the export sector in order to reach the target of \$192 million by 1992 required a new export promotion strategy and support structures. CFTC offered the expertise of its Export Market Development Division (EMD) to help shape these new strategies and structures, recognising that export development would help Mozambique earn the hard currency needed to rebuild its war-torn economy and infrastructure.

EMD's principal objective is to assist Mozambique in the development of an appropriate institutional framework together with the necessary know-how in export marketing so as to provide a base for enhanced export performance. EMD's programme in Mozambique is based on a report completed in March 1989 by a former Deputy Director of the Trade Development Authority of India, which outlined a three-year plan of action (see *Exports and Economic Recovery*, Page 20). The plan, endorsed by Mozambique's Council of Ministers, has guided the National Directorate of External Trade in its

transformation from a largely regulatory agency to one actively and purposively engaged in export promotion, including support for private sector exporters. The *Garg Report* envisaged the establishment of an export promotion organisation, and continuing advisory services from CFTC in export development and trade information together with specific marketing studies not only for mineral exports but also for handicraft products from the informal sector, where many producers are women.

The Government approved the establishment of the Mozambique Export Promotion Institute in November 1990, which will function as a business centre charged with developing a national export strategy and a sustained approach to export promotion. CFTC has provided two principal advisers in Export Promotion and Trade Information and Documentation (respectively from Bangladesh and India) to develop the Institute's capacity to respond to the needs of the business community. The Trade Information Adviser, in a series of visits since May 1990, has already set up an information system and compiled a directory of Mozambique's exporters. A Trade Policy Adviser from Pakistan is assisting the National Directorate of External Trade in reorganising its Department of Multilateral Co-operation.

### SIMPLIFIED EXPORT PROCEDURES

The Export Promotion Adviser, who undertook his first assignment in August 1990, has already completed work on the simplification of procedures and forms relating to the registration of exporters and export licensing. He has also prepared simplified procedures for the Currency Retention Scheme which enables exporters to retain some of their export proceeds in foreign exchange to finance imports needed for export production. The Adviser has organised a seminar for public and private sector producers on export promotion strategies and priorities.

### FUTURE NEEDS

If resources permit, EMD's structured programme of support for the export sector, to which £318,000 had been committed by 31 July 1991, will be maintained until 1993. The Institute of Export Promotion while looking to major donors for assistance with equipment, including computerisation, will require further technical assistance in export promotion, trade information, product development, quality upgrading, export training, export publicity, costing and pricing, and market identification and penetration.



## Exports and Economic Recovery

Mr M L Garg, formerly of India's Trade Development Authority, was sent by CFTC to conduct an initial study on new export strategies and structures. He recommended a new approach to export promotion, building on Mozambique's own initiatives, and outlined a long-term strategy, the new structures required, and a three-year action plan.

### Strategy

The following strategy for export development was proposed:

- widen the export base which is narrowly built around
  - a) five traditional export items — shrimps, cotton, sugar, cashewnuts, tea — which constitute over 80 per cent of exports
  - b) six major trading partners — USA, Japan, Spain, Portugal, Germany, and USSR — which absorb roughly 80 per cent of exports
- concentrate export promotion on non-traditional items and penetrate new markets in the industrialised countries and Southern Africa
- focus initial export promotion on a limited number of non-traditional items
- target the marketing of Mozambique's manufactured goods to Southern Africa using PTA's multilateral clearing — house system
- develop an institutional capacity and new policies and incentives (export compensation, easier credit, removal of export tax, lower transport costs, etc) to promote exports and support exporters.

### Structures

Mr Garg recommended a major reorientation and restructuring of the Department of Exports, shifting its emphasis from regulatory functions (e.g. export licensing) to promotional functions aimed at stimulating exports and providing services to the export community (e.g. commercial information, market surveys, contact promotion programmes, product development, export publicity, research, training, etc). More specifically he proposed the creation of a new organisation — the Institute for the Promotion of Exports (IPEX).

This new body was to be a business centre supervised by the Ministry of Commerce. Staff would be trained and technical experts from CFTC or other agencies would help to develop each specialised area.

### Three -Year Action Plan

The following activities were proposed for the

first three years:

- restructuring the Department of Exports
- set up an Institute for Export Promotion (IPEX)
- recruit and train IPEX staff in export promotion
- arrange short-term technical assistance in
  - policy-making and programming for export promotion
  - trade information and documentation
  - upgrading and marketing of handicrafts, cut flowers, and precious / semi-precious stones
- set up a Trade Information System
- prepare a Directory of Exporters, Export Promotion Handbook, and catalogues on specific products
- conduct market surveys and contact promotion programmes for specific products in specific markets — manufactured goods and minerals (SADCC region), horticultural products (Europe, Middle East), cut flowers (Europe), precious stones (Europe), handicrafts/jewellery (Britain, USA), textiles/garments (Europe).

### High Level Backing and Rapid Implementation

The Garg Report, which is short and practical, was approved by the Council of Ministers and EMD was asked to help implement it. It is being used as the guiding document for initiatives in this field and the action plan has the full support of the whole Ministry. Despite delays due to resource constraints, one Mozambican official said: "The Ministry of Commerce has faith in the CFTC. We know they can deliver." This receptiveness has motivated EMD consultants working in Mozambique. One told the CIDA review consultant: "In my 20 years in international consulting I've never had this kind of clear-cut commitment. It gives us the confidence to go full steam ahead."

Implementation has been rapid. Out of the 14 activities planned for the first two years, all have been completed or are in the process of being implemented: the Export Department has been restructured, the Export Promotion Institute created, staff recruited and training started, six out of the seven advisers fielded (including one provided by ITC), the trade information system established, the Directory of Exporters and Export Promotion Handbook drafted, and two of the market surveys completed. In addition, the Export Promotion Adviser has simplified the export licensing procedures and forms, removing a major barrier to exports.

## INDUSTRIAL DEVELOPMENT UNIT

**T**HE IDU'S COMMITMENTS AND expenditure to 31 July 1991 amount to £712,000. Nine rehabilitation or re-equipment projects affecting seven industrial enterprises have been completed. Three are currently in progress and three more about to start or awaiting confirmation that resources will be made available. The industrial enterprises involved include a glass container factory, a food processing and canning plant, a soap and edible oil factory, a salt refinery (see *Nuts and Bolts Help from IDU*, Page 22), a furniture factory, a marble quarry and processing plant, a bentonite quarry and beneficiation plant, a gemstone and lapidary plant, chocolate manufacture and coconut processing.

Economic policy changes including privatisation have resulted in a review of some of the projects previously identified by IDU for implementation in 1992, and a project identification mission in 1991 will prepare a new project portfolio designed to carry IDU's activities up to mid-1993. It is anticipated that IDU's experience in Commonwealth countries in helping to prepare public sector enterprises for privatisation or restructuring as joint ventures could be deployed effectively in Mozambique.

The Government is committed to speeding-up the process of privatisation, rehabilitation and modernisation in the small-scale industrial enterprise sector, by attracting direct foreign investment and involving local capital; the objective is to privatise virtually all small enterprises once conditions permit. With regard to medium-sized and large enterprises controlled by the State, Government policy is to encourage public participation.

The Minister of Industry and Energy has requested IDU assistance with plants engaged in wheat and maize milling, paint manufacture, tanning and the manufacture of industrial and domestic glues. He has also requested three long-term technical assistance personnel in production management and technical services for two major industrial enterprises. These could be supplied as fully funded posts under the General Technical Assistance programme only if the Fund is substantially replenished.

### REHABILITATION

Many of the factories have been rehabilitated using the existing plant and equipment, rather than building a totally new plant with new equipment. For example a new salt plant would have cost

£800,000 but IDU repaired and revived the old plant for only £80,000. This has helped to keep costs down and get factories into production quickly without a long delay waiting for a much more heavily capitalised project.

IDU provided the following inputs on each rehabilitation project:

- planning and feasibility studies
- repair and rehabilitation of the plant and equipment
- organisation of production and maintenance
- provision of spare parts (normally limited to 10-15 per cent of project cost)
- on-the-job training for management and technical staff plus exposure visits for key personnel to similar industries in other countries
- training people to help themselves by utilising local skills and resources.

### PROJECT MANAGEMENT

In addition to its rehabilitation work, IDU has also provided, in a series of short-term consultancies, the services of an experienced project manager from Jamaica in support of Mozambique's management of two capital projects: the re-equipment of a glass factory and of a marble quarry and processing plant. The Minister of Industry and Energy expressed his satisfaction that with the IDU assistance the \$31 million glass factory project in Maputo was the first project to have been successfully completed in the bilateral co-operation programme concerned and that quality control was assured, schedules met and skills transferred.

IDU's consultant helped Mozambique to negotiate better training provision in the supplier contract and supervised the 'in-plant' training of production workers. He and the plant manager visited the training course for eight feeder operators conducted in the supplier country. In the words of the plant manager:

"As a final test the Mozambican trainees were asked to run the whole factory. They performed the job with flying colours! This really gave them confidence."

Assistance with the initial phase of the new factory's management (including training) will be provided and, subject to resources, practical attachments for key personnel will be arranged under the FTP programme.

## Nuts-and-Bolts Help from IDU

IDU's staff and consultants are appreciated by Mozambican factory managers. One told the CIDA review consultant:

"They are not white collar bureaucrats used to telling people what to do. They are practical, nuts-and-bolts people with a lot of experience in industry. They don't ask for transport or special treatment. They roll up their sleeves and get things done in a very short time. They arrive with the spare parts in their own pockets or luggage and install the spare parts or new equipment themselves. I love to work with them because they operate so efficiently and with a minimum of fuss and delay. It makes my job easier. They are also very resourceful: McCreath, for example, discovered where he could get spare parts made in Maputo, avoiding a long delay in ordering parts from overseas. He even made some of the parts himself. This type of help is invaluable."

Archie McCreath, a Scottish engineer, has worked on a number of successful projects in Mozambique, including the rehabilitation of the Matola salt refinery at a total cost to SCFM of £80,000 (a new salt plant would have cost £800,000). The plant had closed down in the 1970s due to broken and badly corroded machinery and lack of foreign exchange to replace small parts.

IDU consultant Archie McCreath at Matola salt refinery



Mr McCreath organised the repair of the pans in the evaporation and crystallisation zones and rebuilt the rust-damaged machinery. Working within a tight budget, he used the plant's workshop to make many of the spare parts on the spot. The factory is now operational, producing 7,500 tons of refined salt a year, earning foreign exchange and providing good quality salt for domestic consumption. Just before leaving, Mr McCreath tested the packaging machine and discovered it needed a spare part. He bought it the next day back in Britain and had it delivered within two days of leaving Maputo.

IDU provides the following inputs on each rehabilitation project:

- planning and feasibility studies
- repair and rehabilitation of the plant and equipment
- organisation of production and maintenance
- provision of spare parts (normally 10-15 per cent of total project cost)
- on-the-job training of management and technical staff plus, when appropriate, exposure visits for key personnel to similar industries in other countries.

Similar support to the National Directorate of Mines for the \$20 million Montepuez marble project in Northern Mozambique, involving the same Jamaican project management adviser and an Indian marble expert from Rajasthan, will continue until 1991.

In both the glass and marble projects, IDU has helped to:

- check on the quality of equipment provided by these companies, including inspection of new equipment at its source before delivery (more cost-effective than waiting for delivery before the problems are discovered), ensuring value for money
- monitor the installation process and draw up more rational plans for the installation (for example in the glass container factory the consultant reduced the number of production

lines which had been proposed by the supplier to avoid overcrowding)

- negotiate an increase in the number of spare parts and consumables provided in each contract
- monitor the training provided in each contract.

Technical assistance is provided through a series of short visits, which is more cost-effective than sending a full-time adviser. It avoids dependency and allows time in between visits for equipment and spares to be ordered and other work to be carried out by local staff. As one interviewee observed to the CIDA review consultants,

“The advisers provide their critical inputs and then get out, allowing the Mozambicans to get on with it.”

## TECHNICAL ASSISTANCE GROUP

**A**MONG CFTC'S FIVE DIVISIONS TAG has had the most sustained involvement with Mozambique. TAG took part in the first Commonwealth Fund for Mozambique (1976-83) working in the natural resources sector and making a significant contribution to both policy and institutional development as well as to skill transfer. When the first Commonwealth Fund was phased out in 1983, TAG continued its assistance to petroleum and mining under a regional umbrella, using only its own staff (rather than external consultants) and a relatively small budget (£10-20,000 a year for air fares). Initially, TAG concentrated its energies on the petroleum industry, where it helped in:

- formulating a policy for petroleum
- preparing the Petroleum Law (enacted in 1981)
- developing a model petroleum contract (including provisions for royalties and computation of petroleum income tax)
- negotiating with oil companies on oil exploration and production agreements.

### THE MINERAL SECTOR

TAG's first project in the mining sector was a negotiation on coal. It helped draft a model mining agreement and conducted the negotiations with BP Coal. This project broke important ground, serving as the vehicle for the review of mining legislation and the drafting of more up-to-date mining laws and regulations, including provisions for tax and licensing (which were not covered in the old Portuguese mining law). The new laws and regulations were enacted in 1986 and 1987 respectively. This first project also established the pattern for subsequent TAG involvement in various phases of the negotiation process:

- the development of policy, legislation, and model agreements
- negotiation with investors
- monitoring the implementation of the agreement.

In 1988 when the second Special Commonwealth Fund for Mozambique was instituted, TAG was a natural starting point for specialised consulting services, given its established presence, and its good contacts and track record. Ministers and officials already had confidence in TAG and clear ideas on how to use its services.

TAG was invited to continue its work in the mining and petroleum industries and to expand into new areas.

In addition to its negotiation work, TAG has been involved in:

- evaluating a feasibility study for heavy mineral sands (including examination of environmental issues)
- conducting a technical assessment of a copper mine
- auditing gold exploration expenditures and monitoring the new auditing practices adopted by the gold mining company
- designing accounting procedures for use by all foreign mining companies.

While petroleum dominated TAG's work under the first Commonwealth Fund and during the interim phase, mining has now become the major focus for its energies during the current Special Fund. Mozambique has very rich mineral resources, with deposits of bauxite, bentonite, coal, copper, diatomite, gold, graphite, fluorite, heavy mineral sands, marble, as well as precious and semi-precious stones. While the mining industry is still under-developed, there is a strong government support base for the development of mining. The Department of Geology is well staffed with Mozambican geologists and has taken a major role in the prospecting and exploration activities carried out over the last ten years. (The Portuguese had made no systematic surveys of mineral potential.) The National Directorate of Mines is equally strong and pro-active and has made most effective use of CFTC services, having utilised all five CFTC divisions in building up its capacity.

### RESOURCES FOR RECONSTRUCTION

Minerals provide one of the quickest means of generating resources for reconstruction, but to realise this potential Mozambique needs substantial foreign investment. The 1989 World Bank study *Sub-Saharan Africa — From Crisis to Sustainable Growth* recommended that the donor community assist African governments to negotiate technically sound and fair mining agreements with foreign investors, by financing specialised advisory services. CFTC has been doing this through TAG's assistance to the National Directorate of Mines and Mozambique has benefited from the experience of Commonwealth governments in mining and petroleum development.

### **MINING AGREEMENTS**

Based on its success with the coal project TAG was asked to help with negotiations on a number of other projects. Over the last ten years it has assisted on all major negotiations with foreign mining companies, helping to draft agreements on bauxite, diatomite, gold, graphite, heavy mineral sands, and marble and in some cases to monitor the implementation of these agreements. Recently it has been asked to conduct a review of all these agreements with the aim of producing a new mining agreement (including provision for environmental controls). This new agreement will be used in a major promotional exercise by government to attract investors.

### **NATURAL GAS**

In 1991, TAG's work with the National Oil Company (ENH) was reactivated. It was asked to assist ENH in negotiations with foreign oil companies and, significantly, in developing a joint venture project for the export of natural gas, a project of immense potential for revenue generation and foreign exchange earnings.

### **OTHER FOREIGN INVESTMENT**

In other areas of foreign investment, TAG, together with a consultant from Mauritius funded by the British Government, assisted the Office for the Promotion of Foreign Investment (GPIE) in the preparation of regulations governing the operation of Export Processing Zones (EPZ). Their report on the proposed EPZ regulations with accompanying recommendations was submitted to GPIE in January 1991.

TAG has also been asked to assist Mozambique's Sugar Board in evaluating proposals for the rehabilitation of two sugar mills, in preparing legislation to govern the sugar industry in Mozambique and in negotiations with foreign investors. Recently interest has been shown in using TAG's services in the key transport sector in support of privatisation and joint venture negotiations relating to the Port of Maputo.

### **EXTERNAL DEBT**

Under Mozambique's Economic Recovery Programme there has been a systematic effort to revive the debt recording and management functions of the Ministry of Finance and the Bank of Mozambique. The Minister of Finance and the Governor of the Bank of Mozambique invited CFTC to assist them in setting up a debt recording and management system based on the Commonwealth Secretariat's own computer software CS-DRMS, developed by TAG and introduced in thirty Commonwealth countries and

Thailand. Debt rescheduling has been a major preoccupation of the Ministry of Finance and the Bank of Mozambique. Successful active debt management depends on access to reliable data and reports, which, in the appropriate institutional environment, CS-DRMS can generate most effectively.

The CFTC, recognising Mozambique's acute foreign exchange constraints, provided computer hardware and software and ran a training programme for technical staff in both the Ministry and the Bank. On other DRMS projects, this type of training had been organised in London, but due to serious personnel shortages it was not possible to arrange for staff to come to London. Instead, the course was run in Maputo on a day-release basis: TAG's trainers ran the courses in the afternoons and in the mornings helped set up the system. Trainees learned how to interpret loan and grant agreements, complete data entry sheets, and feed the data into the computer.

In 1991, a full-time adviser started work to help consolidate these skills, train people to use the database and analytical tools in the software for debt management, and to foster appropriate institutional arrangements for debt management. Despite some teething problems, which TAG is confident can be resolved, the project has already proved its usefulness.

IDRC of Canada, which has also helped with TAG's Debt Management projects in other countries, agreed to co-finance this project, contributing £50,000.

### **DEMOCRATIC DEVELOPMENT: PREPARATIONS FOR MULTI-PARTY ELECTIONS**

The Commonwealth Secretariat has broken new ground by providing technical assistance to the Government of Mozambique in its preparations for holding multi-party elections, now scheduled for 1992. Because its senior legal adviser has special expertise in organising and observing elections, TAG has been the implementing agency for CFTC's assistance in Mozambique's preparations for multi-party elections.

Following discussions between the Secretary-General and President Chissano at the SADCC Tenth Anniversary Summit in Gaborone, Botswana in July 1990, the Secretariat was asked to assist in organising a Seminar on Preparations for Multi-Party Elections (see *Preparations for Multi-Party Elections*, Page 26). The seminar, opened by the Secretary-General in February 1991, catered for Ministers and Senior Officials. The Minister of Justice has asked for continuing advice on planning and managing the election, including training Mozambican personnel. This assistance is being

## Preparations for Multi-Party Elections

Following discussions between the Secretary-General and President Chissano at the SADCC Tenth Anniversary Summit in Gaborone, Botswana, in July 1990, the Secretariat was asked to assist in organising a Seminar on Preparations for Multi-Party Elections. The seminar, opened by the Secretary-General in February 1991, catered for Ministers and Senior Officials of Ministries directly concerned, including senior legal and administrative officers from each of Mozambique's ten provinces. Special contributions toward the cost of the seminar were made by Australia, Botswana and Britain, as well as by Canada's International Centre for Human Rights and Democratic Development.

The Commonwealth resource team at the Seminar on Preparations for Multi-Party Elections held in Maputo in February 1991 was led by Mr Carl Dundas, Senior Legal Adviser in CFTC's Technical Assistance Group and former Director of Elections in Jamaica. Also in the team were the Commissioner of Elections from Malaysia, the Director of Research in Australia's Electoral Commission, an experienced election administrator from Britain, a District Commissioner from Botswana, and the Professor of Law at the University of Zimbabwe. The latter had been actively involved in the 1980 Independence Election in Zimbabwe as well as in subsequent elections, including serving as a member of the Electoral Delimitation Commission in 1985.

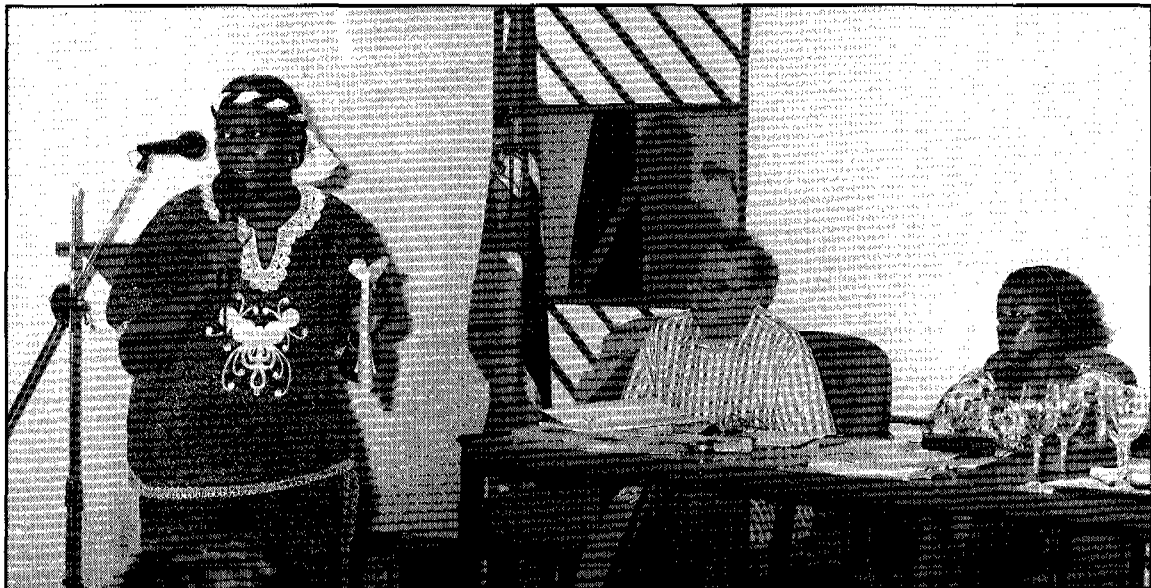
The Australian and British members of the team had been involved in preparations for the pre-independence elections in Namibia (at which Mr Dundas had been an adviser to the Commonwealth Observer Group) and had extensive experience of election projects in countries other than their own – including Cambodia, Romania and in the Western Sahara.

The seminar dealt in detail with all aspects of the electoral process and included a mock election. The resource team met with Mozambican ministers and discussed specific issues raised by the seminar and identified possible areas of follow-up. The Government has made it clear that the seminar assisted in clarifying its approach to a number of key practical and policy issues and has asked for members of the resource team to be associated in follow-up work in planning and training. The Minister of Justice commented:

"The Seminar was very opportune, coming at a time when we and all our neighbours in SADCC are searching for ways of building more democratic participation. The concept of multi-party democracy is new to us and some of us found it a great challenge to understand this new way of operating. The Commonwealth has helped us immensely to reorient our thinking and plan our election machinery."

The Secretariat's contribution in this critical and sensitive area is part and parcel of its general emphasis on institutional development and the building up of Mozambican capacity.

### Botswana District Commissioner Barulaganye Machacha addresses Multi-Party Election Seminar



provided by SCFM, initially by the consultants who took part in the seminar. A consulting team visited Maputo and two provincial centres in August 1991 for detailed discussions on organisational and training needs and equipment requirements. Other specialised contributions will be mobilised as required.

### HOW TAG WORKS IN MOZAMBIQUE

TAG's expenditure and commitments in Mozambique in all areas amount to £317,000.

TAG's largest commitment is in the mining and petroleum sector. The scale of demand was such that TAG, with support from SCFM, hired economic and financial analysis consultants to augment in-house skills. This enabled TAG to take on a higher level of involvement in Mozambique during a crucial period for the mining industry. A substantial expansion in TAG activities to cover the natural gas project, election preparations and other new areas is envisaged if resources can be found.

#### Consultancy as Skill Transfer

TAG with FTP backing for formal training and attachments has provided institutional support to the National Directorate of Mines and the National Hydrocarbons Production Company (Empresa Nacional de Hidrocarbonetos).

The relationship and flow of advice are long-term and continuous. Requests for short pieces of information or advice are generally answered by return fax. Others require a more sustained input involving a visit to Mozambique or participation in a specific negotiation — TAG is sometimes able to respond to such requests within a week of receiving them. The level of work fluctuates — sometimes very heavy, at other times light — but the relationship is sustained

Capacity-building and skill transfer is achieved by:

- practical hands-on advice and on-the-job training from TAG during negotiations
- other on-the-job training carried out by TAG: an Australian mineral economist working in association with TAG was placed within the Directorate of Mines for three months to train their professional staff
- attachments with TAG itself - one for a mining engineer and another for a petroleum engineer - in which the trainees learned the practical techniques of computer-assisted financial and economic analysis, working on Mozambican projects currently being assessed by TAG and their parent departments
- attachments for Mozambican mining engineers with mining companies in Commonwealth countries — a heavy minerals mine in Australia and a gold mine in Zimbabwe
- assistance with policy development

- consultants' reports: for example TAG commissioned a report from Australian consultants on heavy mineral sands; this provided a wealth of information on a new industry and a basis for planning the exploitation of these resources
- participation in formal courses such as the specialised courses on mineral economics and financial analysis at McGill University in Canada (attended by the director and two staff members of the mining department).

In all cases the exposure added to the Mozambicans' capacity to manage things on their own. A Mozambican official explained:

"The mining engineers who went to Australia for six months came back as different people. They were treated seriously by the companies who put them to work as part of the mine's engineering staff, rather than leaving them as uninvolved observers. They learned a lot and came back full of confidence. Now they are much more effective on the job — more decisive and analytical. This has helped to strengthen our ability to run our mines and to deal with investors."

TAG's approach works well because it has its own team of consulting staff, most of whom have been in TAG for a long time. The Mozambicans know them, have confidence in them, and feel comfortable with them. Because a team is involved (rather than a single consultant), they are able to support each other. The relationship is maintained by fax or phone between major assignments. TAG does not just disappear at the end of one negotiation and reappear several months later. "They are there for us, available for debriefing on one negotiation and preparing for the next one, as well as all the other nuts-and-bolts advice we need on a day to day basis. Together with TAG we have built up a rich base of collective experience in handling negotiations."



TAG's consulting services provide an effective capacity-building mechanism (see *Consultancy as Skill Transfer*, Page 27). TAG's work with its clients in Mozambique, particularly the National Directorate of Mines and the National Oil Company (ENH), is based on close personal relationships and mutual respect between TAG and the professional staff in both institutions. The National Director of Mines summed up their contribution:

"TAG are our consultants — a continuous source of high quality advice committed to our interests and available at very short notice. Our department has a limited capacity to handle all these things internally — we rely on TAG to deal with the economic and legal aspects. It's the best partnership we've developed with any agency. No other agency

operates as effectively as they do — quick, flexible, working to our agenda, and with a minimum of bureaucracy! We can't always predict what kind of legal or economic advice we'll need over the next twelve months. TAG's openness and flexibility makes it possible for them to respond very quickly. We don't know what we'd do if their assistance was withdrawn — it would leave a big hole!"

Mozambique has developed with TAG the same close working relationship, providing a framework for continuous advisory services, which characterises the Group's relationship with its Commonwealth clients. The Mozambicans know and trust TAG team members and have a high regard for their professional skills and commitment to Mozambique.

## THE NEXT TWO YEARS: OPPORTUNITIES WAITING FOR FUNDING

**T**HE FUND REQUIRES ADDITIONAL resources if its contribution to Mozambique's economic and social goals is to be maintained for the remaining two years envisaged for the programme. Future opportunities for CFTC in Mozambique include:

- the delivery by the specialised programmes at relatively short notice of short-term consultancies directed at promoting Mozambique's goals in the enterprise sector
- expanding support for the foreign exchange components of Commonwealth experts directly recruited by the Mozambique Government particularly in the health and higher education sectors (both affected by the withdrawal of Soviet and Eastern European staff)
- expanding direct grants to the University in support of curriculum and staff development, drawing on the institutional resources of Commonwealth universities particularly in Southern Africa
- providing additional technical assistance and training in support of capacity-building in agriculture and rural development
- in co-operation with the Eastern and Southern African Management Institute (ESAMI), meeting the training needs in planning and finance management in Northern Mozambique identified by CFTC consultants.

In all these areas CFTC is poised to deliver further practical assistance as soon as resources are assured.

## AFTER 1993

**A**S SOUTHERN AFRICA MOVES INTO what is hoped will be the final phase of the struggle for non-racial democracy, there remains the legacy of apartheid and of the desperate measures adopted in its defence. The devastating structural effects of destabilisation on societies in the region will endure unless support is provided to assist Southern Africa achieve reconciliation and lasting security, recovery and sustained development. The restoration of peace and stability in Mozambique and the rehabilitation of its shattered physical and institutional infrastructure is critical to the future stability and prosperity of a sub-region with great development potential, which embraces eight Commonwealth countries and South Africa. The Commonwealth

has amply demonstrated that it can make a critical contribution to institutional development and capacity-building in Mozambique. An effective mechanism has been developed and valuable experience and working contacts gained. The five-year mandate of the Special Commonwealth Fund for Mozambique comes to an end in mid-1993 when the Fund will be wound up. Thereafter, it is anticipated that CFTC will retain a facility which could be used by Commonwealth Governments (and indeed non-Commonwealth agencies) to deliver technical assistance and training directed at capacity-building in Mozambique and strengthening that country's functional links with its Commonwealth neighbours.

# *Annexes*

## PLEDGES TO SPECIAL COMMONWEALTH FUND FOR MOZAMBIQUE

1988 - 1992

AS AT 1 SEPTEMBER 1991

<i>Country</i>		<i>Amount Pledged</i>	<i>Sterling Equivalent</i>	<i>Amount Paid</i>
Australia (a)	A\$	5,920,000 <sup>1</sup>	2,776,827	1,908,752
	(b)	A\$ 7,200 <sup>2</sup>	2,844	2,844
Barbados	Stg.	1,000	1,000	1,000
Bahamas	US\$	10,000	6,454	6,454
Botswana	US\$	490 <sup>3</sup>	272	272
Britain (a)	Stg.	- <sup>4</sup>	1,787,207	1,221,000
	(b)	Stg. 3,000 <sup>5</sup>	3,274	3,274
Canada (a)	C\$	2,000,000 <sup>6</sup>	972,743	972,743
	(b)	C\$ 101,000 <sup>7</sup>	48,349	31,144
	(c)	C\$ 25,000 <sup>8</sup>	10,824	10,824
Cyprus	US\$	10,000 <sup>9</sup>	6,189	3,199
Ghana	Stg.	50,000	50,000	50,000
Guyana	US\$	20,000	11,995	11,995
Malaysia	Stg.	50,000	50,000	50,000
Malta	Two Scholarships <sup>10</sup>			
New Zealand	NZ\$	400,000	138,801	121,645
Nigeria	Naira	500,000 <sup>11</sup>	24,764	19,469
St.Kitts & Nevis	US\$	5,000	2,918	2,918
Sierra Leone	Le	302,115 <sup>12</sup>	3,000	3,000
Singapore	Training Places <sup>10</sup>			
Trinidad & Tobago	TT\$	300,000 <sup>13</sup>	43,107	29,176
Uganda	US\$	10,000	5,981	-
Western Samoa	Stg.	1,337	1,337	1,337
AFRICA Fund	US\$	25,000 <sup>14</sup>	12,744	12,744
			<u>5,960,630</u>	<u>4,463,790</u>

1. Australia pledged A\$400,000 a year for a three-year period increased its 1989/90 pledge to A\$450,000 and pledged and paid A\$470,000 in 1990/91. Australia has also made an additional grant of A\$250,000 specifically for English Language Training in the telecommunications sector. In December 1989 the Australian Government approved a further additional contribution of A\$3.95 million over the four years 1989-92 for two special programmes involving training principally in Australia and in the SADCC region.

2. Australia in addition to the pledges recorded above contributed A\$7,200, towards the cost of the Seminar on Preparations for Multi-Party Elections held in Maputo in February 1991, which covered the cost of the air fare of the Australian resource person.

3. Botswana contributed US\$490 towards the cost of the Seminar on Preparations for Multi-Party Elections held in Maputo in February 1991, which covered the cost of subsistence in Maputo for the resource person from Botswana.

4. The British pledge as at 1 September 1991 is calculated as 30 per cent of the total pledged to date. The British Government has indicated its readiness to provide 30 per cent of the total amount pledged to the Fund, subject to the total pledged not exceeding the Secretary-General's £10 million target. Thus for every £700,000 pledged by other Commonwealth members, Britain has agreed to provide £300,000, subject to a maximum of £3 million.

5. Britain also contributed £3,274, the cost of the British resource person who participated in the Seminar on Preparations for Multi-Party Elections. This contribution is over and above Britain's regular pledge/contribution determined by the '30 per cent' formula.

6. Canada pledged C\$1,000,000 for a three-year period, undertook to review this pledge at the end of the Special Fund's first year of operations and in October 1989 pledged a further C\$1,000,000.

7. Canada's International Development Research Centre agreed in March 1990 to provide a grant of C\$101,000 towards the cost of the Technical Assistance Group's project 'Grant and Debt Recording and Management System for Mozambique'.

8. Canada's International Centre for Human Rights and Democratic Development pledged and paid C\$25,000 towards the cost of the Seminar on Preparations for Multi-Party Elections.

9. In two instalments.

10. The Government of Singapore has offered technical assistance to Mozambique by way of training places in Singapore institutions and organisations and the Government of Malta has offered two scholarships for Mozambique nationals to train at Maltese institutions and/or organisations.

11. Nigeria has pledged N250,000 in sterling and N250,000 in non-convertible Naira which is earmarked for training in Nigeria.

12. The Government of Sierra Leone has pledged and paid the equivalent of £3,000 in non-convertible Leone.

13. The Government of Trinidad and Tobago has pledged TT\$100,000 a year for a three-year period.

14. The Seventh Meeting of the AFRICA Fund Committee at the level of Senior Officials which met in Windhoek in December 1990, noting the Commonwealth's exceptional gesture towards Mozambique, a non-member, agreed as "an expression of solidarity" to contribute US\$25,000 to the Special Commonwealth Fund for Mozambique.

Sterling equivalents for unpaid pledges are calculated at Financial Times exchange rates for 23 August 1991. In the cases of pledges paid in whole or part, the actual amount realised in sterling is indicated or reflected in the total.

## SCFM EXPENDITURE AND PROJECTIONS 1987/88 – 1992/93

## PROVISIONAL ALLOCATIONS FOR 1991/92 AND 1992/93 BASED ON ASSUMED RESOURCES OF £6.5 MILLION

Programme	1987/88 & 1988/89 Actual	1989/90 Actual	1990/91 Actual*	1991/92 Commitment 31.07.91	1991/92 Provisional Allocation	1992/93 Commitment 31.07.91	1992/93 Provisional Allocation	1987-88/1992-93 Grand Total (Actuals for 87/88-90/91 + Allocations for 91/92 & 92/93)	Say
EMD	34,074	49,460	169,727	75,600	75,600	-	-	328,861	
FTP									
General	237,605	193,003	201,980	75,850	150,000	26,050	50,000	832,588	
AIDAB									
Special									
Training									
Programme	-	181,089	397,723	165,700	550,000	124,300	450,000	1,578,812	
FTP Total	237,605	374,092	599,703	241,550	700,000	150,350	500,000	2,411,400	
GTA									
General	357,081	489,867	654,691	250,240	345,200	176,710	221,710	2,068,549	
AIDAB									
Special									
Training									
Programme	-	-	31,944	-	-	-	-	31,944	
GTA Total	357,081	489,867	686,635	250,240	345,200	176,710	221,710	2,100,493	
IDU	261,190	25,946	185,098	121,900	200,000	18,200	18,200	790,434	
TAG	50,798	116,898	95,996	64,100	150,000	-	50,000	463,692	
Admin	940,748 71,729	1,156,263 94,279	1,737,159 113,267	753,390 100,000	1,470,800 100,000	345,260 50,000	789,910 50,000	6,094,880 429,275	
TOTAL	1,012,477	1,250,542	1,850,426	853,390	1,570,800	395,260	839,910	6,524,155	6,500,000

\* Provisional

## SCFM EXPENDITURE AND PROJECTIONS 1987/88 - 1992/93

## PROVISIONAL ALLOCATIONS BASED ON ASSUMED RESOURCES OF £9.0 MILLION

Programme	1987/88 & 1988/89 Actual	1989/90 Actual	1990/91 Actual*	1991/92 Commitment 31.07.91	1991/92 Provisional Allocation	1992/93 Commitment 31.07.91	1992/93 Provisional Allocation	1987-88/1992-93 Grand Total (Actuals for 87/88-90/91 + Allocations for 91/92 & 92/93)	Say
EMD	34,074	49,460	169,727	75,600	194,000	-	170,000	617,261	
FTP									
General	237,605	193,003	201,980	75,850	250,000	26,050	250,000	1,132,588	
AIDAB									
Special									
Training									
Programme	-	181,089	397,723	165,700	550,000	124,300	450,000	1,578,812	
FTP Total	237,605	374,092	599,703	241,550	800,000	150,350	700,000	2,711,400	
GTA									
General	357,081	489,867	654,691	250,240	845,200	176,710	886,710	3,233,549	
Special									
Training									
Programme	-	-	31,944	-	-	-	-	31,944	
GTA Total	357,081	489,867	686,635	250,240	845,200	176,710	886,710	3,265,493	
IDU	261,190	125,946	185,098	121,900	300,000	18,200	200,000	1,072,234	
TAG	50,798	116,898	95,996	64,100	311,000	-	288,000	862,692	
Admin	940,748	1,156,263	1,737,159	753,390	2,450,200	345,260	2,244,710	8,529,080	
	71,729	94,279	113,267	125,000	125,000	125,000	125,000	529,275	
TOTAL	1,012,477	1,250,542	1,850,426	878,390	2,575,200	470,260	2,369,710	9,058,355	9,000,000

\* Provisional