

## The Integrated Framework in Mozambique



### **Mozambique has been part of the IF since 2004.**

The validation workshop for the DTIS of Mozambique was held in September 2004. The DTIS was conducted by USAid complementing an already existing trade study led by USAid. The World Bank contributed a transport and trade facilitation audit.

DTIS recommendations on regional integration, customs reform, transport, export development and sectoral policies were all included in the revised plan.

**Mozambique** submitted **seven Window II projects**, namely on (i) fishery laboratory equipment; (ii) training to use the lab equipment; (iii) support to the Ministry of Trade and Industry; and improvement of data collection and production of foreign trade standards; (iv) fish quality control project; (v) preparation of foreign trade manual; (vi) project to accelerate standard development process; and (vii) improvement of data collection and production of Foreign Trade Standards.

**IF Focal Point:** Ms. Cerina Mussá, National Director of Trade.

**Donor Facilitator:** Italian Cooperation

Mozambique's **2006 PRSP (Action Plan for the Reduction of Absolute Poverty – PARPA II)** relies on three pillars, of which one is economic development. Under this pillar, trade and export issues are being integrated into a section that calls for a competitive private sector development. The priorities to that end are development of enabling areas such as technical and vocational training, building technical and technological skills of the productive sectors, energy supply and telecommunications services. The target sectors are agro-industry, fisheries, tourism, oil and mining and electricity. Further specific focus of the trade agenda are:

- building institutional skills;
- trade agreements; and
- trade facilitation.

There are also a number of trade-related indicators that the M&E framework tracks.

**Issues:** PARPA II aims at reducing the incidence of poverty further to 45 percent in 2009. Mozambique appears well placed to achieve the key Millennium Development Goals of halving the poverty rate by 2015, as long as growth remains roughly above 5 percent. PARPA II asserts that sustained high, broad-based growth embedded in an environment of good governance is needed to reduce poverty incidence and improve service delivery in a sustained manner.

In July 2008, the IF Programme Implementation Unit visited Mozambique to assist in the preparations for the Enhanced IF. Switzerland has hired a consultant to assist Mozambique in the EIF implementation. The consultant's terms of reference include (i) assistance in defining Mozambique-specific EIF objectives; (ii) proposing improvements to the in-country EIF architecture; and (iii) drafting an EIF Road Map. At their meeting in July 2008, the National Steering Committee approved a nearly US\$4 million IF project on fisheries development funded by DFID.

Mozambique was one of the eight countries that UNIDO had selected as a pilot for its stocktaking study on the DTIS industrialization coverage.

Mozambique has, in February 2009, submitted an initial draft including elements of a medium-term IF implementation programme to the ES for discussion and inputs. In addition, the Government is preparing a Tier 1 proposal.