

INTERNATIONAL MONETARY FUND AND  
THE INTERNATIONAL DEVELOPMENT ASSOCIATION

REPUBLIC OF MOZAMBIQUE

**Assessment of the Interim Poverty Reduction Strategy Paper**

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the International Monetary Fund

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1. The Interim Poverty Reduction Strategy Paper (Interim PRSP) prepared by the Mozambican authorities consists of the National Action Plan for the Reduction of Absolute Poverty (*Plano de Acção para a Redução da Pobreza Absoluta – PARPA*) and a companion document which briefly summarizes the *PARPA* and sets out the steps to be taken towards the finalization of a full PRSP. The two documents should be read together.
2. **Government commitment to poverty reduction.** The Mozambican government has demonstrated strong commitment to poverty reduction since the civil war ended in 1992, when it embarked on a sustained effort of reconstruction, reconciliation, and democratization. The *PARPA* is the result of a series of poverty reduction initiatives, dating from the first poverty reduction strategy published in 1995, and building on the results of the First National Poverty Assessment (1998). In April 1999, the Council of Ministers approved an updated strategy, entitled '*Action Guidelines for the Eradication of Absolute Poverty*'. The *PARPA*, which was completed in December 1999, is a step towards the operationalization of the '*Guidelines*'. The *PARPA* is a public document, with strong ownership within government. It will be developed further during the coming months, as a result of consultations within the government and with civil society.
3. **Poverty analysis.** To better understand poverty, Mozambique undertook a national, representative household survey of living conditions in 1996-97, which was the basis for a detailed analysis of the characteristics and causes of poverty in the First National Poverty Assessment. Poverty data are also available for 1996-98 in a demographic and health survey, participatory poverty assessment and census. The '*Guidelines*' and the *PARPA* summarize the main results of the National Poverty Assessment, which depict a country with severe structural obstacles to poverty reduction — a predominantly rural society with high dependence on low productivity agriculture, poor physical infrastructure, weak market integration, low levels of human development, and poor access to services. The analysis is

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sound, it covers income and non-income dimensions of poverty, and provides the basis for targeting key vulnerable groups. However, the link between poverty analysis and policy choices, implicit in the discussion of the poverty profile and its determinants, the identification of priority target groups, and the sectoral objectives and targets, should be made more explicit in the full PRSP.

4. **Poverty-reduction policies.** The government has set a target of a 30 percent reduction in absolute poverty within the next decade (2000-09) or 15 percent by 2004. Most of the planning targets refer to the period 2000-04. The main components of the strategy to achieve the poverty reduction target are: economic stability and broad-based high growth (based on the development of manufacturing and construction and increased agricultural productivity); human development (improved access to education, health, water, and sanitation); the development of rural infrastructure; promotion of employment and self-employment; protection of vulnerable groups; and capacity building in poverty research and monitoring. Better utilization of available resources and a reduction in regional inequality are also stressed.

5. The emphasis on broad-based high growth and human development, focusing particularly on rural areas, is appropriate. The government has a good record of sound macroeconomic policies and some well-developed sector programs in education, health (including HIV/AIDS), agriculture, and roads, with multi-donor support. The *PARPA* provides links to these and other key sector programs, which are important vehicles for the implementation of the poverty reduction strategy, and presents the sectoral objectives, proposed indicators, and targets for the period 2000-04. The *PARPA* identifies areas that require and will receive attention for further research — regional inequality, sectoral growth strategies, and the effect of HIV/AIDS on population growth. This policy research program will also include studies of the impact of trade policy on poverty and should be widened to consider the need for any special programs on disaster mitigation in the wake of the floods. It should also encompass an evaluation of alternative policies, such as that already undertaken of the safety net programs, to determine the most appropriate and cost-efficient interventions. Detailed costings of the different programs are not yet available, so it is not clear what choices and trade-offs will be involved, nor how the private sector and NGOs will contribute to these programs. However, in the *PARPA*, the government states its commitment and underscores its ongoing efforts to cost its poverty reduction strategy and link it to the medium-term expenditure framework, in order to ensure the fiscal viability of the poverty reduction targets.

6. **Three-year macroeconomic framework and policy matrix.** In June 1999, Mozambique adopted a three-year macroeconomic framework and policy matrix, under the new PRGF arrangement. The *PARPA* was based on this framework, but it is now out of date, given the recent floods. A new framework and matrix will be prepared for the discussions on the second-year PRGF-supported program later in 2000. This will be further modified for use

in the full PRSP, in the light of ongoing policy analysis, evaluations of the fiscal effects of the post-flood reconstruction, and the consultation process.

7. **Consultation.** The weakest part of the interim PRSP is the brevity of the description of past and planned consultations. There has been limited consultation on the '*Guidelines*' and the *PARPA* as yet, but the government is committed to conducting broad consultations in the development of the full PRSP. Section 5 of the companion document sets out a general approach for involvement of the private sector, civil society organizations, research institutions, and the media, and a plan for its elaboration over the coming months. In this context, it should be noted that the high electoral turnout for the recent national elections demonstrated a considerable width of political participation among the population. Following the elections, the government's initial priority is to conduct a dissemination/consultation process within government to increase knowledge of and support for the *PARPA*, both horizontally between line ministries and vertically between central and regional governments. A strategy will also be elaborated for wider consultation with the key groups mentioned above. The government plans to have the strategy in place by the end of April and to start consultations from June onwards. The full PRSP should document the ways in which the consultation has been carried out and how the results have been reflected in the *PARPA*. It should be noted however, that broad-based consultation on specific aspects of pro-poor policy is likely to be a challenge in a population with high illiteracy rates (59 percent of men and 81 percent of women) and limited knowledge of the official language.

8. **Poverty monitoring.** Considerable effort has been made to translate the general goals of the *PARPA* into measurable objectives and targets, some of which will serve as indicators for the full PRSP (see part 4 of the *PARPA*). A core list of annual and five-year indicators is set out in part 5, and the National Institute of Statistics will publish data on selected social indicators in May of this year. The government plans to refine and reduce the list as part of the PRSP process, and is currently developing mechanisms for updating key socio-economic indicators more frequently, with lighter surveys. It will be important that an effort be made to limit the number of indicators in line with monitoring capacity and to select those that best reflect progress towards the poverty reduction objectives and progress against known constraints. Additional work is also needed to identify the roles of different institutions in statistical data collection and poverty monitoring and to coordinate data collection and analysis on a regular basis. Ways in which civil society can be involved in the monitoring process should also be identified. A monitoring strategy is to be developed to address these issues during the coming months, and the full PRSP should include details of its implementation. In the medium term, an integrated national household survey should be repeated and the results compared with the baseline of 1996-97.

9. **Timeframe.** The Government's timeline envisages the completion of the full PRSP by March 2001. This timeframe was determined by the Mozambican authorities, in order to produce a high quality full PRSP, taking into account the expected completion dates of the analytical work described in the Interim PRSP. The PRSP process itself is envisaged to be an

ongoing one, with many elements subject to continuing improvements – the consultation process, costing and budgeting, and the institutional setup for poverty analysis, monitoring, and policy implementation. It is important to note that these plans were drawn up prior to the floods, and the phasing of some activities may need to be adapted accordingly.

10. **Institutional issues.** The Department of Macroeconomic Planning within the National Directorate of Planning and Budget of the Ministry of Planning and Finance has responsibility for the *PARPA*, with support from the Department of Studies in the same Ministry. It has worked with an inter-ministerial taskforce involving eight ministries and institutes. The Department has been in existence for many years and is equipped for poverty analysis and design, but will need to strengthen its implementation capacity, especially in consultation and monitoring. Statistical and participatory monitoring capacity will also need to be strengthened in the line ministries. However, there is a risk of overloading in these Departments, where technical capacity is already thin. The government has taken strong ownership of the PRSP process and is funding much of the necessary incremental work on poverty analysis from its own resources; it would consider additional external assistance if necessary. Part of the additional budgetary resources freed under the HIPC Initiative will be allocated to work on poverty analysis and monitoring in the Department of Macroeconomic Planning, as part of the development of the full PRSP. Public sector accountability has been improving recently with the preparation of a plan to overhaul the public accounting system, and helped by new civil service employment incentives, regulations, and training.

11. **Conclusion.** The major strengths of Mozambique's poverty reduction strategy are (i) the government's high level of commitment to it over a long period of time, which has enabled capacity to be built amongst a key group within the government, (ii) the existence of a high quality poverty analysis, which underpins the strategy and will serve as a baseline for monitoring future poverty reduction outcomes, and (iii) policy continuity and commitment in key areas, such as macroeconomic management and the social sectors. Although plans for consultations have yet to be spelled out in greater detail, the government is expected to expand its previous experiences when it proceeds to organize the consultations with a broad spectrum of civil society that will lead to the full PRSP. The budgeting processes that should underpin the full PRSP and the establishment of a transparent and efficient poverty monitoring system should also receive priority attention in the coming months.

12. Overall, the staffs consider that the present document provides a sound basis for the future development of a full PRSP, as well as an adequate framework for the enhanced HIPC Initiative decision point and for Fund and Bank concessional lending.

**Republic of Mozambique**

**Interim Poverty Reduction Strategy Paper**

**(PRSP)**

**Incorporating the Action Plan for the  
Reduction of Absolute Poverty (PARPA)**

**Maputo, February 16, 2000**



REPUBLIC OF MOZAMBIQUE  
**Interim Poverty Reduction Strategy Paper**  
Prepared by the Mozambican authorities<sup>1</sup>

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<sup>1</sup> Translation from Portuguese into English prepared by the Mozambican authorities.

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## **Introduction**

As poverty is the most important factor in the definition of any development strategy in Mozambique, the Government decided to prepare a medium/long-term development program which, with appropriate policies and measures as well as short-term instruments for its operationalization, will attack the problem of poverty, which affects around 70% of the population.

In the context of its attack to poverty, Mozambique elaborated in 1999 an Action Plan for the Reduction of Absolute Poverty (*Plano de Acção para a Redução da Pobreza Absoluta—PARPA*), which defines the actions and priorities to be implemented at different levels and in different sectors. PARPA was taken as the basis for the design of the *Interim Poverty Reduction Strategy Paper* (PRSP) and is included as an annex to this document.

The present document was produced to indicate the country's current phase of preparation of the development program, what is intended to be done, the next steps, and the necessary consultation process for the production of this program. The full PRSP will be extracted from the medium-term development program.

Besides this Introduction, this document encompasses seven sections: (i) the statement of the commitment of the government to reduce poverty, (ii) the presentation of the nature of poverty in Mozambique, (iii) the global objective of poverty reduction for the decade of 2000-2009, and the strategies and actions that the government sees itself using to address poverty, (iv) the description of the process of preparation of the PRSP, (v) its dissemination and the consultation process, (vi) indicators, monitoring and evaluation, and (vii) the timeline of activities to be developed.

### **1. Statement of the Government on its Commitment as regards Poverty Reduction**

#### *1.1. The Commitment of the Government*

The main objective of the Government of Mozambique is poverty reduction. To this end, the Government has assumed a firm position in the anti-poverty struggle, which facilitates the definition of strategies in the fight against poverty. This aspect comes through clearly, explicitly or implicitly, in the sector policies and official documents approved by the Government.

#### *1.2. Background*

Economic policy in recent years has concentrated on stabilization aspects, although one has now begun implementation of some policies aiming at the transition to structural adjustment. The effort was concentrated mainly on the reduction of the macro-economic imbalances. In implementing actions of this type there are implications in terms of income redistribution. The analysis of the IAF96/97 showed us that the levels of poverty are considerably elevated. For that reason, the process of growth has to rest on the directing of actions that are aimed at eliminating the levels of absolute poverty of the majority of the Mozambican population.

Having reached the current levels of development, economic stability will continue to be a critical factor for ensuring the non-deterioration of the assets of the poor, whether in the short-, medium- or long term.

From 1988 to 1989 the human aspect of the stabilization program has been taken up, because it was recognized that the initial policy measures provoked adverse effects on the poorest and most vulnerable groups. It was in that sense that the *Social Dimension of Adjustment* project (SDA) was instituted in 1989 with the objective of assessing the impact of the strategy and of structural adjustment in the poorest groups. In 1990 the *Office for the Support to Vulnerable Population Groups* (GAPVU) was established, which provides supplements to earnings of the poorest.

Starting in 1990, the Policy Framework Papers (PFP) place the problem of increasing the participation of the poor in the Economic and Social Rehabilitation Program (PRES) and it was in that year that the first steps were initiated for the drawing up of a Poverty Alleviation Strategy. These actions were undertaken in a climate of political instability, since the civil war ended only in late 1992.

The first attempt to define specific and explicit policies for poverty reduction in a context of peace in the country was through the preparation in 1995 of the *Strategy for Poverty Reduction in Mozambique* (GoM 1995a). This document defined five specific objectives: (a) improving living conditions in the rural areas, (b) investing in human capital, (c) improving the social safety nets, (d) formulating a population policy and (e) improving national capacity for analysis and monitoring of poverty.

The priorities established in the *Strategy for Poverty Reduction* are reflected in the *Five-Year Program of the Government* for 1995 to 1999, where it was defined that: "the government will concentrate its efforts as a priority ... on the reduction of the levels of absolute poverty, aiming at its eradication in the medium term, and the improvement of the lives of the people, with emphasis on education, health, rural development and employment." (GoM 1995).

The estimates of poverty determined up till 1995 revealed some limitations however; in the first place, the national estimates of the poverty levels and profile of poverty were often based on extrapolations. Secondly, the objective aimed at both in the *Strategy* and in the *Government's Program*, were of an overall nature and didn't address specific actions in terms of target groups, goals, and mechanisms for coordination and collaboration of the different social actors in the fight against poverty.

To address this issue, on April 13, 1999, the Council of Ministers approved the *Action Guidelines for the Eradication of Absolute Poverty* and from this came the PARPA as a means of operationalizing the *Guidelines*. These documents result from a detailed analysis of the data from IAF 96/97, the report *Poverty and Welfare in Mozambique: First National Evaluation* (MPF, 1998).

The PARPA emerges as a government planning instrument which complements those that are already in use, namely: the Economic and Social Plan, the Three-Year Plan for Public Investments and the Annual State Budget. In parallel, the government has been developing medium-term fiscal policy which will permit the inclusion in a realistic way, with resources

assured, of the poverty reduction actions amongst the government's annual instruments. The PARPA reflects the objectives contemplated in the different national and sectoral strategic plans, allowing a global and integrated vision of the actions to be developed for poverty reduction. Also identified are the targets that must be met in each one of the different areas, in order to allow their monitoring and evaluation in an objective way. The monitoring, evaluation, coordination, and financing mechanisms are identified in the Action Guidelines, and only the means for their materialization are yet to be established.

Simultaneously, in recent years policies of a national and sectoral scope were approved which may contribute, directly or indirectly, to the achievement of the objectives of the PARPA. For example, the *Population Policy* should be highlighted, which answers the need to harmonize the determinants of demographic change in the population with factors of a social, economic and cultural nature, and the *Food Security Strategy*, which aims for the creation of conditions to ensure access to food for the whole population. Other policies have to do with more specific sectors, some of which are identified in this *PARPA* as immediately relevant to absolute poverty reduction, such as: education, agriculture, infrastructure, health, employment, security and social welfare, and institutional capacity for poverty issues. The *PARPA* is a basis for the development program.

## **2. Poverty in Mozambique**

### *2.1. Profile*

The analysis of the data from IAF 96/97 allowed the development of a detailed profile of poverty in Mozambique. The profile assesses the magnitude of poverty and its distribution across socio-economic groups, and provides information about the poor and their heterogeneity. The profile is presented in Section 1.2.2 of the *PARPA*, attached. Table 1 attached to the present Interim PRSP offers a schematic summary of the incidence and profile of poverty.

### *2.2. Determinants of Poverty*

In the analysis based on the data from IAF 96 97, the following determinants of poverty in Mozambique were identified (MPF 1998):

- slow economic growth up to the beginning of the nineties;
- poor educational level of the members of households of economically active age, especially amongst women;
- high rates of dependency in the households;
- lower productivity of family farming;
- lack of opportunity for employment inside and outside of the agricultural sector;
- poor development of infrastructure in the rural areas.

**Table 1. Selected Variables by Poverty Situation and Area of Residence**

Sector	Variable/ Age Group	Destitute Persons	Rural			Urban				Mozambique			
			Poor	Non-Poor	All	Destitute Persons	Poor	Non-Poor	All	Destitute Persons	Poor	Non-Poor	All
<b>A. Demography</b>	Average size of household	6.1	5.5	3.3	4.6	6.2	6.0	4.7	5.4	6.1	5.6	3.6	4.8
	Average rate of dependency	60.5	58.8	47.7	55.5	61.4	57.6	47.9	53.9	60.7	58.6	47.5	55.2
<b>B. Education</b> (education of head of household (school attendance by those under 11 years of age)	Completed primary school or greater	9.8	11.1	17.0	13.4	25.4	28.7	58.4	41.9	12.6	14.1	25.3	18.6
	Enrolled (7–11) M	48.2	50.1	55.9	51.5	52.7	57.9	77.6	65.6	49.1	63.0	75.2	54.5
	F	29.1	32.9	34.4	33.2	47.2	51.8	75.1	61.4	32.3	50.5	66.3	40.3
<b>C. Health</b> (use of health services) (Vaccinations)	Had a medical appointment	56.3	56.3	59.2	57.4	64.2	69.5	81.0	74.2	57.8	58.6	63.4	60.5
	None (5–12 months)	31.2	32.4	42.9	35.1	6.5	4.1	0.0	2.7	26.0	27.1	32.1	28.5
<b>D. Agriculture and Land Tenure</b> (Irrigation) (Inputs)	Has a farm plot	98.7	98.9	97.6	98.5	72.8	62.5	41.3	54.4	94.0	92.2	83.4	89.5
	Some area irrigated	2.9	2.8	2.8	2.8	6.2	5.5	1.4	4.4	3.4	3.1	2.6	3.0
	Uses pesticides or fertilizers	1.1	1.4	1.5	1.4	1.7	3.1	6.0	4.0	1.2	1.6	2.1	1.8
<b>E. Employment</b> (Poverty Situation by Type of Employer)	Public Administration	0.74	0.73	1.20	0.89	6.15	6.64	16.29	10.46	1.39	1.44	3.50	2.14
	State/Publicly-Owned Firm	1.67	1.59	1.67	1.62	10.02	12.52	17.59	14.53	2.68	2.90	4.10	3.31
	Private Sector	1.94	1.99	1.88	1.95	8.06	11.65	15.96	13.36	2.68	3.14	4.03	3.45
	Self-Employed	43.2	45.19	53.10	47.81	46.48	45.54	37.04	42.17	44.14	45.23	50.64	47.07
	Family Member, no Remuneration	51.56	50.23	41.67	47.40	29.93	21.44	9.75	16.81	48.66	46.78	36.80	43.39
Other	0.17	0.27	0.47	0.34	2.36	2.22	1.74	2.77	0.42	0.50	0.91	0.64	

(Source: MPF 1999. The rate of dependency is the sum of household members under 16 years of age or above 59 years of age, plus those with physical or mental disabilities, divided by the total number of individuals in the household. Only for those persons who were sick. Other = cooperative sector, employer and domestic servant).

### **3. The Global Objective of Poverty Reduction in the Decade of 2000-2009**

Mozambique's global objective is the reduction of the incidence of absolute poverty from the current level of around 70% to around 50% in the next ten years. In order to reach such reduction in the poverty incidence, the Government has the intermediate objective of reaching a level of incidence of poverty of around 60% by the year 2004.

In order to confront the poverty phenomenon, the Government has been developing actions of global, sectoral, and regional nature, as well as actions towards better allocation and management of public resources. Table 2 attempts to relate the general objective with the intermediate and specific objectives, targets and the programs that the Government is using and/or intends to use to operationalize the general objectives, also as a way of logically integrating the global, sectoral, and regional strategies. These actions and the allocation of resources for their implementation will be presented in detail in the development program of which the full PRSP will be a component part. The development program will identify the specific actions to be developed, as well as the institutions to be involved, the resources to be utilized, and the implementation and monitoring mechanisms.

The consultation process within the Government and with civil society will be widely utilized during the elaboration, implementation, execution and adjustment of the development program, since it will be a rolling, five-year exercise so as to absorb the dynamism of different sectors, population groups, policies and variables.

### **4. Description of the Process of Preparation of the PRSP**

This section of the document presents the additional work to be developed until the elaboration of the development program and the final PRSP which is proposed to be concluded by the end of the first quarter of the year 2001. The schematic summary of this section is in the Timeline presented in Section 7 below.

#### *4.1. Additional Analysis and Development of Policies*

In order that the development program has impact on the objective of poverty reduction, it will have to include analysis and definition of the macro-economic framework, under which stabilization occurs and sustained economic growth is projected in the medium and long term. The efficacy of the specific policies adopted for poverty reduction, and particularly reduction of absolute poverty, will necessarily depend not only on stability and economic growth, but also and perhaps fundamentally on the way that this growth particularly affects the most vulnerable population (see Timeline, Item 1).



**Table 2. General and Specific Objectives, Targets, and Programs**

<b>Global Objective</b>	<b>Intermediate Objectives</b>	<b>Specific Objectives</b>	<b>Targets</b>	<b>Government Program</b>
Reduction of poverty from 70% to around 60% in the year 2004	To keep a fast and sustainable growth	Section III of PFP 1999-2000	GDP Growth 7%-10% Inflation 5%-7%	PRGF, the Program of the Government, PES, and OE
	To develop human capital through investments in education, health, access to safe water and sanitation	<ul style="list-style-type: none"> <li>• Increase in access to primary education</li> <li>• Reduction of adult illiteracy</li> <li>• Increase in girls' access to education</li> <li>• Increase in the number of qualified professionals</li> <li>• Improvement in primary health care</li> <li>• Increase and improve the access and quality of health care for women and children</li> <li>• Prevention of the main endemic diseases</li> <li>• Improvement in the health of the youth</li> <li>• Prevention of HIV/AIDS infection</li> <li>• Improvement in nutrition</li> <li>• Improvement in the access to safe water and sanitation</li> <li>• Promotion of Family Planning</li> </ul>	Details in PARPA's Education, Health and Infrastructure Matrices	Education SIP Health SIP Population Policy National Strategic Plan for the Fight Against STD/HIV/AIDS Water SIP

<p>To increase agricultural productivity in the household sector</p>	<ul style="list-style-type: none"> <li>• Increase in agricultural productivity by encouraging the use of improved seeds, extension services, use of fertilizers, among others</li> <li>• Improvement in the access to land</li> <li>• Improvement in the access to markets</li> <li>• Improvement in the access to financial resources</li> <li>• Improvement in food security</li> <li>• Improvement in natural resource management</li> <li>• Promotion of associations of peasants and improvement in communication system</li> <li>• Promotion of nutritional education and healthy habits</li> </ul>	<p>Details in PARPA's Agriculture &amp; Rural Development and Food Security Matrices</p>	<p>Food Security Strategy PROAGRI Rural Action Plan Trade Policy Land Policy Environment Policy</p>
<p>To develop and improve rural infrastructures</p>	<ul style="list-style-type: none"> <li>• Improvement in rural roads</li> <li>• Improvement in housing</li> <li>• Improvement in the access to energy services</li> <li>• Creation of better conditions and improvement in the situation of isolation in the rural areas</li> </ul>	<p>Details in PARPA's Infrastructure Matrix</p>	<p>Water SIP Roads SIP</p>

To protect the most vulnerable groups	<ul style="list-style-type: none"> <li>• Improvement in the quality of social support services</li> <li>• Pension system</li> <li>• Social rehabilitation of vulnerable groups</li> </ul>	PARPA's Social Security Matrix	Food Subsidy Program
To promote employment and self-employment	<ul style="list-style-type: none"> <li>• Promotion of employment in the rural areas</li> <li>• Technical-professional training</li> </ul>	PARPA's Employment Matrix	Social Action, Employment and Youth National Integrated Plan; Employment Policy
To improve the institutional and technical capacity in poverty matters	<ul style="list-style-type: none"> <li>• Training</li> <li>• Research and monitoring</li> </ul>	PARPA's Capacity Matrix	Programs yet to be defined
To improve the allocation of available resources and external aid	<ul style="list-style-type: none"> <li>• Introduction of a medium-term vision in the programming of revenues and expenditures and their operationalization</li> <li>• Integration between sectoral policies and available resources</li> </ul>		MTEF; PER; Public Administration Reform; PES and OE.
To reduce regional asymmetries	<ul style="list-style-type: none"> <li>• Facilitation of the application of rules and procedures, as well as legislation to promote the private sector</li> <li>• Promotion of decentralization and empowerment to the level of Provincial Governments (programming, resource management, and projects)</li> </ul>		Programs yet to be defined.



#### *4.1.1. Stabilization*

In a brief analysis of economic policy in Mozambique in the last thirteen years, it is seen that it has been marked by the objective of stabilization, although the implementation of some policies aiming at transition to structural adjustment has already begun. The effort was concentrated mainly on the reduction of macro-economic imbalances. Economic stability will continue to be a critically important factor to ensure the non-deterioration of the assets of the poor, whether in the short-, medium or long term.

#### *4.1.2. Growth Prospects*

For the final PRSP, it is intended to analyze the macro-economic aspects that will influence the putting into effect of structural changes in order to move from the phase of stabilization to that of sustainable growth. Given that poverty is of greater incidence in the rural environment, the prospects for growth should have a rural and regional focus. It is necessary to define agreed rules in the context of monetary and budget policy so as to ensure the maintenance of the low inflation levels in the economy and foreign-exchange stability, as well as an efficient management of the debt and of foreign aid, in parallel with the creation of an enabling economic environment for accelerated and sustained growth.

Fighting poverty implies the directing of scarce budgetary resources to actions that contribute to sustained and comprehensive economic growth and to a better distribution of resources within the economy. In this section it is intended to develop the exercise of harmonization of resources with expenditure, in the Medium-Term Expenditure Framework (MTEF), giving emphasis to the objective of poverty reduction. The links between the final PRSP and the MTEF will be refined so as to better find the linkage of activities related to development and poverty reduction with the allocation of budgetary resources.

In order to develop a macroeconomic framework with a poverty reduction focus, the Government will identify strategies and policies for sustainable and broad-based growth, so as to reach the targets proposed for the decade. This growth strategy will encompass various components, namely: (a) a set of global policies which incorporate aspects related to international trade liberalization, tax policy reform, a more efficient expenditure policy, "red tape", improvement of customs, basic infrastructure, law, order, justice and internal security, (b) selected sectoral studies, so as to determine the necessary policies for and the growth potential of key industries, including agriculture; (c) policy studies focusing on the basic determinants for fostering prosperity; (d) development of practical macromodels to reinforce the Government's economic management capacity and its linkages with the process of poverty reduction; and (e) development of new procedures and approaches to reinforce transparency and participation, which are critical aspects for the design and implementation of effective policies for growth (see Timeline, Item 1.2).

The PRSP should incorporate the results of the sectoral studies and activities to be carried out in the growth strategy referred to above. To the extent that the work agenda for the growth strategy is yet to be prepared, it is a little difficult in this phase to clearly determine the

outputs. A detailed proposal should be presented for discussion in March 2000. At a minimum the PRSP will include new macro-economic projections and estimates of the interconnections between growth and poverty reduction under various scenarios.

This work is important in order that in August/September 2000 the policy matrix and the macroeconomic framework are included in the review under the Poverty Reduction and Growth Facility (PRGF) arrangement for Mozambique, expected to take place in August 2000 (see Timeline, Item 1.3).

## *4.2 Sectoral and Regional Analysis*

### *4.2.1. Analysis of the Sectoral Policies and their Compatibility*

The objective of this section is to carry out a detailed analysis of the various sector policies in place. All approved sector policies must be analyzed in greater detail. In other words, one should systematize the various existing sector policies with the goal of having a general framework for the existing hierarchies, interconnections, complementarities and contradictions. This is necessary to ensure compatibility between the sectoral policies and the growth prospects, and to define the priority sectors to reach the proposed objectives. This work will be concentrated in the first three months after the completion of the Interim PRSP, but it will continue throughout 2000 (see Timeline, Item 2.1).

### *4.2.2. Regional Aspects*

Poverty has a local dimension and actions for poverty reduction should be guided by a more integrated and regional or local approach. Data from IAF 96/97 show the differences in the poverty levels per region. Thus, the country cannot be assumed to be homogeneous and with an equal and non-differentiated approach. It is necessary to highlight that each province must have greater initiative in the definition of its strategies and targets, as well as in the process of implementation, monitoring and control. The main actions in this domain must be towards reducing regional asymmetries, proposing an appropriate level of decentralization to solve them and allowing local administration to be able to take initiative and to have a greater decision-making power regarding the actions to be taken at this level. This is an area that requires much debate and listening; thus it is proposed that this is to be done throughout 2000 and continues permanently in the future.

Thus the knowledge of poverty at the local level is of extreme importance in this exercise. Simultaneously, aspects associated with inequality must deserve a special attention in policy design. The mapping of poverty, the regional imbalances, the gender imbalances and rural and urban dimension should be set out and should always be present in the analyses. Hence provincial poverty profiles, which will allow a more disaggregated analysis of the characteristics of the poor, are being developed. At the same time, the research project with the AERC aims to assess the regional impact of various scenarios of economic growth and development (see Timeline, Item 2.2).

#### *4.2.3. Projections of Population With or Without HIV/AIDS*

Mozambique is confronted with a situation of HIV/AIDS epidemic, with a prevalence rate amongst adults of around 14.5% in 1998 (MISAU 1999). In the next few years, AIDS is expected to affect the economically-active population in Mozambique and will certainly have adverse effects on the poorest and most vulnerable segments of the population. Presently it is necessary to produce projections of population with or without HIV/AIDS in order to assess the impact of the disease in the labor force, as well as the costs for curbing the epidemics (see Timeline, Item 2.3).

#### *4.3 Institutional Framework*

The actions that come to be carried out in the context of poverty reduction are framed within a complex institutional context, which should be carefully studied. The multidimensional character of poverty, and the conception and implementation of policies to combat it, require the involvement of different institutions. The definition of an institutional framework to contemplate this diversity and complexity will permit the harmonization of efforts in fighting poverty as well as the development of synergies between state agencies and intermediate organizations that have links with the communities.

Additional efforts will be undertaken in order to implement the measures, included in the PFP matrix regarding institutional development. Namely, the reform of the legal and judicial system, the decentralization process and strengthening of the system of law, order, and internal security (see Timeline, Item 3).

### **5. Dissemination and the Consultation Process**

Taking into account the fact that poverty is a phenomenon of multidimensional nature, the definition of the strategies for its reduction, as well as the mechanisms for the implementation of this strategy require the participation of the different social actors. Thus, since 1998 the Government has been promoting regular consultations within its institutions both at the central and regional levels, as well as with civil society and the international donor community. The design of the PARPA was the result of the joint work of several Government agencies (the Ministries of Health, Education, Labor, Social Action, Agriculture and Fisheries, Public Works and Housing, and the Social Action and Rural Development Institutes). The process of preparation of the PARPA started in early 1999, and also encompassed different areas of MPF (Ministry of Planning and Finance) both at central and provincial levels. Besides these institutions, members of the Technical Office for Population, academic and research institutions, as well as the Matola Municipality also participated in this process.

The objectives of the PARPA were presented and discussed in a course on Poverty Analysis and Development Policies organized by MPF and Eduardo Mondlane University, in October 1999. Not only civil servants at the central and provincial levels, but also civil society and NGO representatives participated in this course. Finally, the most recent version of the PARPA (December 1999) was presented to provincial Governments, donors, and NGOs.

During 1999, UNDP in coordination with the government drew up a "Rapid Assessment of National Anti-Poverty Programs" (De Sousa et al. 1999) in which some recommendations were made to improve the current social security system and pro-poor policies. This work was also the object of consultations with various governmental and non-governmental institutions, financial institutions – formal and informal – responsible for the implementation of micro-credit programs, and international organizations.

### *5.1. Dissemination*

The following dissemination plan (see Timeline, Item 4) was established in order to proceed with already initiated actions for the dissemination of information, in order to reach the necessary consensus for the implementation of strategies and activities conducive to poverty reduction:

- Preparation of a booklet about PARPA (objectives, concepts, priorities, targets and the role of the various stakeholders).
- Reproduction and distribution of PARPA to the provinces, governmental institutions including members of the Parliament, NGOs, religious groups, higher education institutions, trade unions and professional associations.
- Use of mass media for dissemination both through radio and television, through specific programs about poverty, with participation of the population in general.
- Implementation of seminars in the provinces for governmental institutions, NGOs, religious groups, trade unions and professional associations.
- Dissemination of research results as they become available.
- Creation of documentation centers in each province, at the level of Provincial Directorates of Planning and Finance, with relevant literature.

### *5.2. Consultations*

The process of consultation is considered critical for the success of poverty reduction in Mozambique, encompassing both the Government and civil society. First, the consultation process will be maintained and accelerated within the governmental institutions, including the members of Parliament, in order to develop a common medium-term vision for poverty reduction, as well as to discuss how this objective will be reached, how it will be implemented, which actions to be proposed and how to monitor the evolution of poverty. Second, the process will be extended to civil society and, in particular, to producers' associations, trade unions, NGOs and religious groups among others. Presently, the Government is preparing a Strategy for the Consultation Process which is expected to be completed by end-April 2000. The objectives of this Strategy are:

- To prepare an operational plan for the consultations with the key groups defined above.
- To stimulate a national dialogue aimed to involve the various actors in the definition of medium- and long-term objectives for poverty reduction in the country.

- To involve civil society and, more specifically, the poor in order to obtain feedback to consolidate the consensus around the strategies for poverty reduction and the instruments already existing for the fight against poverty (see Timeline, Item 5).

## **6. Development of Indicators, Monitoring and Evaluation**

In order that the expected objectives be reached in the fight against absolute poverty, one will necessarily have to establish a monitoring system to regularly measure the degree of implementation as well as its impact. A set of preliminary indicators was already presented in Section 5.2.2 of the PARPA. However, this list of indicators is preliminary and can be altered as the program of development and poverty reduction for the country is being prepared and finalized.

Presently, a Monitoring Strategy is being elaborated with the following objectives:

- To refine the list of indicators presented in PARPA.
- To list and analyze the role of institutions participating in information collection.
- To coordinate actions between these institutions with a view to creating an operational and sustainable system for information collection and treatment.
- To establish deadlines, routines and procedures with respect to the collection, production and publication of indicators.
- To discuss the methodology of collection and operationalization of indicators in the process of consultation with civil society (see Timeline, Item 6).

## **7. Timeline**

In what follows, a timeline with the activities up to the end of the first quarter of 2001 is presented.



## Timeline

Area/Task	1999	2000												2001						
	Months	12	1	2	3	4	5	6	7	8	9	10	11	12	1	2	3	4	5	6
<b>Preparation of Terms of Reference</b>	X																			
<b>1. Macroeconomic Aspects</b>																				
1.1. Stabilization	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X
1.2. Growth Prospects		X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X			
(Terms of Reference for Growth Prospects)				X	X															
(Tax Policy)																				
(Expenditure Policy)																				
(Financial System)																				
(Trade Policy, Customs Reform, Industrial Policy)																				
(Economic Environment)																				
(Savings)																				
(Labor Market and Technologies)																				
(Infrastructure)																				
(Human Capital Development)																				
(Comparison with Other Countries)																				
1.3. PRGF/PRSP																				
Macroeconomic Framework for PRGF/PRSP			X	X	X	X	X	X	X	X					X	X				
Policy Matrix for PRGF/PRSP			X	X	X	X	X	X	X	X					X	X				
<b>2. Sectoral and Regional Analysis</b>	X	X	X	X	X	X	X	X	X	X	X	X	X							
2.1. Analysis of Sectoral Policies and their Compatib.					X	X	X	X	X	X	X	X	X							
Policies to Reach Proposed Objectives					X	X	X	X	X	X	X	X	X							
Definition of Priority Sectors	X	X	X	X	X	X	X	X	X	X	X	X	X							
2.2. Regional Aspects				X	X	X	X	X	X	X	X	X	X	X	X	X	X			
Provincial Poverty Profiles			X	X	X	X	X	X												
Research Project with AERC and Un. Of Copenh	X	X	X	X	X	X	X	X	X	X	X	X	X							
2.3. Pop.Projections with or Without HIV/AIDS				X	X	X	X	X	X	X	X	X	X							
<b>3. Institutional Framework</b>	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X
(Legal Framework)																				
(Decentralization)																				
(Law, Order and Security)																				
(Social Safety Net)																				

	1999	2000												2001					
	12	1	2	3	4	5	6	7	8	9	10	11	12	1	2	3	4	5	6
<b>4. Dissemination</b>																			
Dissemination	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X
Reproduction and Distribution of PARPA				X	X														
Elaboration of Booklet				X	X														
Workshops and Seminars				X			X			X			X			X			X
<b>5. Consultation Process</b>																			
Elaboration of Strategy for Consult. Process				X	X														
Consultation Within the Government						X	X	X	X	X	X	X	X	X	X	X	X	X	X
Consultation with Key Groups								X	X	X	X	X	X	X	X	X	X	X	X
<b>6. Monitoring</b>	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X
Def. Of System of Indicators, etc.	X	X	X	X	X	X	X	X	X	X	X	X	X						
Poverty Analysis (national, regional, local, etc)							X	X					X	X	X				
Dissemination and Publication of Results																			
<b>7. Training</b>	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X
<b>8. Travel</b>								X											
<b>9. Progress Report</b>				X			X			X			X			X			X
<b>10. Production of Final Report (PRSP)</b>														X	X	X			

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**PLANO DE ACÇÃO PARA A  
REDUÇÃO DA POBREZA ABSOLUTA**

**ACTION PLAN FOR THE REDUCTION  
OF ABSOLUTE POVERTY**

**Maputo, December 1999**



## Preface

The goal of reducing absolute poverty figures at the top of the priority of the current Government. The present work represent the first attempt of providing a comprehensive policy instrument that explicitly aim at reducing the incidence of absolute poverty in Mozambique.

The Absolute Poverty Reduction Action Plan has been prepared by an intersectorial team led by the Ministry of Planning and Finance, notably the Department of Macroeconomic Planning, with the constant input provided by the Studies Department (*Gabinete de Estudos*). A number of Ministries and relevant technical units participated in the elaboration of the final version of the Plan. On the one hand, the aim was to ensure that the Poverty Action Plan would include those sectoral policies that had an impact on poverty-reduction. On the other, that the sectors will prioritise poverty reduction in their present and future planning activities. In particular, regular meetings were held with the planning departments of:

- Ministry of Health
- Ministry of Education
- Ministry of Labour
- Ministry of Social Action
- Institute of Social Action
- Ministry of Agriculture and Fisheries
- Ministry of Public Works and Habitation
- Institute for Rural Development

The intersectoral work group is composed of:

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- Antonia Xavier (Ministry for the Coordination of Social Action)
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- Joaquim Caronga



## Introduction

As part of its fight against poverty, in April 1999 the Government of Mozambique approved the *Action Guidelines for the Eradication of Absolute Poverty* (GOM 1999). This document will be the main policy and strategy instrument for medium and long term measures to fight poverty by both Government and non-governmental institutions. The *Action Guidelines* were based on the findings of a study on poverty by the Ministry of Planning and Finance<sup>1</sup> and were the result of co-ordinated work by the ministries with key responsibilities in implementing poverty reduction initiatives in Mozambique.

As poverty in Mozambique is a multi-dimensional phenomenon, the strategies and actions to reduce absolute poverty must also be multi-dimensional. Moreover, since the *Action Guidelines* only identify general objectives, there is a need for a medium and long-term *Action Plan* with specific national and sectoral objectives and targets. This *Action Plan for the Reduction of Absolute Poverty 2000 - 2004* (PARPA) has thus been prepared in a multi-dimensional perspective, in two senses. On the one hand, the activities and actions contemplated in the plan embrace economic, social, political and cultural aspects, and on the other hand the programmes and projects have national, provincial, sectoral and local scope.

The PARPA is just one of the Government's planning instruments and complements existing instruments already in use, namely: the Economic and Social Plan, the Three-Year Public Investment Plan and the Annual State Budget. In addition, the development of a medium term fiscal policy will permit realistic poverty reduction activities, with guaranteed resources, to be included in the Government's annual instruments. Simultaneously, in recent years a number of national and sector policies have been approved that could contribute, directly or indirectly, to achieving the objectives of the PARPA. These include, for example, the Population Policy, in response to the need to harmonise the determinants of demographic population changes with social, economic and cultural factors, and the Food Security Strategy, aimed at creating of conditions for ensuring access to food by the entire population. Other policies are more sector specific and some of these are identified in this *Action Plan* as immediately relevant to the absolute poverty reduction, such as: education, agriculture, infrastructure, health, employment, social security and welfare, and institutional capacity for poverty issues.

This *Action Plan* reflects the objectives of the various national and sector strategic plans, providing a global and integrated overview of the actions to be taken in order to reduce poverty. It also identifies the targets to be achieved in each area, in order to permit objective monitoring and evaluation. Monitoring, evaluation, co-ordination and funding mechanisms are identified in the *Action Guidelines*; all that remains is to obtain the resources for putting them into practice.

The *Poverty Reduction Action Plan* is divided into five parts: the first part summarises estimates of poverty and its determinants in Mozambique and the global strategies to reduce the incidence of poverty over the next decade. The second part presents the demographic and macro economic setting for the global poverty reduction objectives over the period 2000-2004. The third part highlights efforts to create a favourable economic environment for the country's development. The fourth part presents the specific five-year objectives and targets in the fight against poverty. It also includes a set of sector matrices containing a schematic presentation of the sector components, objectives and targets for the years 2000-2004. The fifth and final part lists a set of appropriate indicators for monitoring achievement of the *Action Plan* objectives. This part of the document also contains subsequent actions for materialising the *Action Plan*. Annexes to the *Action Plan* contain tables and charts that complement the text.

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<sup>1</sup> *Poverty and Well-Being in Mozambique: The First National Assessment* (MPF 1998).



**PART I**

**POVERTY IN MOZAMBIQUE: CONCEPTS, BACKGROUND AND  
GLOBAL STRATEGIES**



## 1.1. The Concept of Poverty

The main objective of development policies is to improve the population's standard of living, in other words, to fight poverty. In analytical studies on poverty in Mozambique, the concept of poverty has been defined as the *inability of individuals to ensure for themselves and their dependants a set of minimum basic conditions for their subsistence* (MPF 1998a). These basic minimum conditions have been identified through an absolute poverty line. This poverty line was constructed as the sum of a food poverty line using nutrition levels of approximately 2,150 kilo-calories per person per day, plus a modest amount for non-food expenditure, calculated on the basis of non-food consumption by food insecure households. In monetary terms, the national poverty line was set at 5,433.00 Mt per person per day. In addition, the concept of destitution was also considered - the condition of individuals who are unable to satisfy even their calorific needs (MPF 1998).

Although per capita consumption (total household consumption divided by the number of household members) was used as the basic measure of individual well-being, non-consumption indicators of well-being are also important, such as the male and female illiteracy rate, the infant mortality rate, the percentage of people without access to clean water, chronic malnutrition, among others.

## 1.2. The Poverty Situation in Mozambique

### 1.2.1. Poverty Analysis in Mozambique - Background

The first attempt to define specific and explicit poverty reduction policies in a context of peace was the 1995 *Poverty Reduction Strategy for Mozambique* (GOM 1995a). This document defined five specific objectives: (a) to improve living conditions in rural areas, (b) to invest in human capital, (c) to improve social protection networks, (d) to formulate a population policy and (e) to improve national capacity for analysing and monitoring poverty.

The priorities established in the *Poverty Reduction Strategy* were reflected in the Government's Five Year Programme 1995 – 1999, which stated: "*The Government will concentrate its efforts, as a priority, ...in the reduction of the levels of absolute poverty with a view to its eradication in the medium-term and to improving the life of the people, with particular emphasis on education, health, rural development and employment*" (GOM 1995).

However, until 1995 estimates of poverty presented some limitations. In the first place, national estimates of poverty levels and the poverty profile were frequently based on extrapolations. In the second place, the objectives established in both the *Strategy* and the *Government Programme* were of a global nature and did not contain specific activities in terms of target groups, targets, and mechanisms for co-ordination and collaboration between the various social actors in the fight against poverty.

### 1.2.2. The Survey of Households and Living Conditions (HS 96/97)

In 1996 - 1997 there was as a *Household Survey of Living Conditions (HS 96/97)*, the first national survey providing representative data. The database provided by the HS 96/97 made it possible to estimate the incidence of poverty, to define the poverty profile and identify its determining factors.

#### The incidence of poverty

Analysis of the HS 96/97 data shows that poverty levels in Mozambique are still extremely high. As can be seen in Table 1, average monthly consumption per capita was estimated to be 160,780 Mt or about US\$ 170 per capita per year at the exchange rate at the time of the survey. The incidence of absolute poverty is 69.4%, indicating that more than two-thirds of the Mozambican population is living below the poverty line. Poverty is higher in rural areas (71.2%) where 80% of the population live, than in urban areas (62%).

**Table 1. Average consumption and poverty estimates by zone and region**

	Portion of the population (%)	Average value of real consumption Total (Mt)	Head Count index (%)	Poverty gap index (%)	Distribution of the poor (%)
Rural	79.7	150,740	71.25	29.92	81.8
Urban	20.3	202,685	62.01	26.67	18.2
North	32.5	167,834	66.28	26.62	31.0
<b>Centre</b>	<b>42.6</b>	<b>141,990</b>	<b>73.81</b>	<b>32.71</b>	<b>45.3</b>
South (incl. Maputo)	24.9	183,718	65.80	26.80	23.6
South (excl. Maputo)	18.8	161,036	71.67	30.17	19.4
<b>National</b>	<b>100.0</b>	<b>160,780</b>	<b>69.37</b>	<b>29.26</b>	<b>100.0</b>

Source: (GOM 1999:15)

As can be seen from Table 2, in accordance with the poverty concept used, at the province level the incidence of poverty is highest in Sofala (87.92%), Inhambane (82.60%) and Tete (82.27%). The incidence of destitution or ultra-poverty is similar, being highest in Sofala (65.19), Tete (53.60), and Inhambane (53.73). Maputo city has the lowest incidence of poverty and ultra-poverty, while the least poor province is Cabo Delgado (see Map 1 in Annex 1).

**Table 2. Average consumption and estimates of poverty and destitution by province**

Province	Proportion of the population (%)	Average consumption (Mt/person/month)	Head Count Index	Ultra-poverty Head Count Index
Niassa	4.85	147,841	70.64	40.48
Cabo Delgado	8.16	194,448	57.40	23.10
Nampula	19.47	161,668	68.92	37.11
Zambezia	20.34	154,832	68.10	34.35
<b>Tete</b>	<b>7.30</b>	<b>117,049</b>	<b>82.27</b>	<b>53.60</b>
Manica	6.19	191,608	62.60	26.96
<b>Sofala</b>	<b>8.77</b>	<b>97,906</b>	<b>87.92</b>	<b>65.19</b>
<b>Inhambane</b>	<b>7.06</b>	<b>128,219</b>	<b>82.60</b>	<b>53.73</b>
Gaza	6.57	183,233	64.66	26.54
Maputo Province	5.14	177,774	65.60	35.37
Maputo City	6.14	253,102	47.84	17.03

(Source: MPF 1998)

Table 3 presents non-consumption welfare indicators, which are important in their own right. These indicators show that three out of four Mozambican women are illiterate, that the vast majority of the population does not have access to clean water, and that infant and maternal mortality rates remain high. There is a substantial difference between welfare levels in urban and rural areas; the welfare indicators are substantially lower in rural areas.

Table 3 presents indicators of welfare not based on consumption.

**Table 3. Non-consumption based welfare indicators**

	Incidence of Poverty (%)	Illiteracy Rate (% men and women over 15)	Female Illiteracy Rate (%)	Population with no access to clean water (% without access to piped water)	Infant Mortality Rate (under 1 year/1000 live births)
Rural	71.2	72.2	85.1	99.0	160.2
Urban	62.0	33.3	46.2	69.0	101.2
<b>National</b>	<b>69.4</b>	<b>60.5</b>	<b>74.1</b>	<b>91.5</b>	<b>145.7</b>

Source: (GOM 1999:16, NIS 1997, NIS 1999)

### The Profile of Poverty

The profile shows the magnitude of poverty and its distribution among the various socio-economic groups. It provides information on the characteristics and the heterogeneous nature of the poor. Briefly, the profile highlights the following main points:

**Demographic characteristics.** Poor people tend to live in larger households than the non-poor. The poor have more children than the non-poor and start having children earlier. As poor households have approximately twice the number of dependants as the non-poor, their dependency rates are substantially higher.

**Education.** There is a strong relationship between education and poverty. However, differences between the poor and non-poor are lower than gender differences and area of residence, where women and rural areas are worse off. This means that a poor child in an urban area has a greater probability of attending school than a non-poor child in a rural area. Moreover, in rural areas a poor boy has a stronger probability of attending school than a non-poor girl. There is also a strong relationship between the education of the household head and the poverty of the household: families whose head has a better education tend to be less poor. This relationship is especially strong in urban areas and in female headed households.

**Health and nutrition.** In rural areas, access to health services by the poor and non-poor is roughly the same. In urban areas, however, the non-poor have better formal health assistance than the poor. The proportion of children aged 6-11 months who have not been immunised is substantially higher in rural than in urban areas. Chronic malnutrition in children under five is also higher in rural areas.

**Agriculture and land ownership.** Virtually all rural households have at least one plot of land (*machamba*), compared to just over half of urban households. The poor and non-poor have roughly the same amount of land per household, although the non-poor tend to use more equipment (inputs) and have more irrigated land than the poor. In general, however, people use very little equipment and inputs and this is reflected in low agricultural productivity throughout the country. Maize and cassava are the most common crops for both the poor and non-poor.

**Employment.** While the urban non-poor tend to work more for payment than the poor, in rural areas there is no difference in this respect. Here it is not employment as such but other factors, such as the wage level and the number of dependants, that are the main determinants of poverty. In rural areas almost everyone works in agriculture, but particularly the poor. In urban areas, less than one third of the non-poor work in agriculture and this group is represented more in the “commerce and services” and “public services” sectors.

**Access to basic social services.** In rural areas there is no substantial difference between poor and non-poor in terms of type of water source and sanitation; most people depend on wells, rivers, lakes and latrines. In urban areas, however, the non-poor tend to have access to piped

water and a health network whereas the poor depend more on standpipes and public wells. In rural areas there is little difference between the poor and non-poor in terms of distance to the various services (e.g. school, doctor, nurse, market, telephone etc.).

### The Determinants of Poverty

An analysis of HS 96/97 data, identified the following determinants of poverty in Mozambique:

- Slow economic growth until the early nineties.
- Poor education of economically active household members, especially women.
- High dependency rates in households.
- Low productivity of family agriculture.
- Absence of employment opportunities in agriculture and elsewhere.
- Weak development of infrastructure in rural areas (MPF 1998).

### **1.3 Action Guidelines for the Eradication of Absolute Poverty in Mozambique**

The *Action Guidelines* document was produced in order to update the general poverty reduction strategy in Mozambique in the light of the new and more comprehensive poverty analyses based on the HS 96/97 data. In the *Action Guidelines* the fundamental premises that impact on poverty eradication are economic growth and increased investment in the development of human capital. The *Action Guidelines* identify the strategic sectors where activities must be focused in order to eradicate poverty - education, health, agriculture, employment, basic public works and social assistance. In addition, the *Action Guidelines* emphasise the importance of promoting the status of women, given their important role in producing an income for the household, and the active involvement of vulnerable individuals and communities in the development process.

#### ***1.3.1 Priority Target Groups***

That *Action Guidelines* document emphasises the need to direct poverty reduction activities towards the regions with the highest indices of poverty or which contain most poor people. In poor regions, priority is given to the following target groups:

- Households with many dependants.
- Households with a single source of income, mainly subsistence agriculture.
- Households headed by women, particularly widows, divorced women and single mothers.
- Households where the average *machamba* is smaller than the norm for that agro-ecological area.
- Households headed by people without any permanent income source (even subsistence agriculture) and who live from occasional work.

### ***1.3.2 Global Objective of Poverty Reduction in the Decade 2000-2010***

The global objective emphasised in the *Action Guidelines* is **to reduce the incidence of absolute poverty by about 30%** over the next ten years. In order to achieve this objective the *Action Guidelines* emphasise the need:

- to maintain rapid and sustainable economic growth by stimulating the development of industry and construction and increasing productivity in agriculture.
- to give priority to the development of human capital through public investments in education, health, access to clean water and environmental sanitation.
- to increase agricultural productivity in the family sector, particularly in areas with high agro-ecological potential.
- to develop infrastructure in rural areas.
- to protect the most vulnerable groups through social security and assistance programmes.
- to promote employment and self-employment in both rural and urban areas through vocational training and the promotion of income generating micro-projects and enterprises, with particular attention to women, unemployed and socially excluded young people.
- to improve technical and institutional capacity to monitor and evaluate poverty and analyse research in the poverty field in order to improve knowledge of the phenomenon and select the appropriate strategies to fight it (GOM 1999).

**PART 2**

**REDUCTION IN THE INCIDENCE OF POVERTY  
OVER THE PERIOD 2000-2004:  
THE DEMOGRAPHIC AND MACRO-ECONOMIC CONTEXT**



## 2.1 The Poverty Reduction Context during the Period 2000-2004

The purpose of identifying the demographic and macro-economic context is to integrate and ensure the compatibility of regional, sector, provincial and local poverty reduction objectives and targets. Demographic and economic dimensions have provided the basis for estimating the efforts required to achieve the objective established in the *Action Guidelines* - a 30% reduction in the incidence of absolute poverty in the first decade of the new millennium.<sup>2</sup>

### 2.1.1 The Demographic Context of Poverty

During the period 2000- 2004 it is expected that the size, structure, and components of change of the Mozambican population will evolve in accordance with the indicators presented in Table 4 in Annex 1. Around the year 2004 the Mozambican population will be about 19 million inhabitants, distributed among the main regions as follows: 32.5% in the North, 41.8% in the Centre, 19.5% in the South and 5.6% in Maputo City. This population growth results from the combination of the main components of demographic dynamics - forecasts of population growth and death and birth rates.

It is estimated that over the next five years life expectancy will rise by about 4 years. However, this estimate does not yet take into account the impact of AIDS. High fertility and dependency rates are two other important indicators that impact on poverty levels in Mozambique. It is anticipated that fertility will fall about 7% compared to 1997, as the results of the socio-cultural mechanisms of the reproduction of the population. As regards dependency rates, economic and social policies will have to take into account the very young structure of the Mozambican population. This high proportion of dependants, children and young people in particular, is typical of a developing country. Thus, in the next five years, the dependency rates will evolve as expressed in item 1.3 of Table 4 (annex). It should be born in mind that the young structure of the population will determine a certain labour supply, the size and proportion of school age children, the specific requirements of health services and a range of other consumption and welfare needs. The respective sectors must take these features into account in order to guarantee adequate harmony between sector plans and the tendencies and dynamics of demographic structure and variables.

### 2.1.2 The Macro-Economic Context

For the *Action Plan* to have an impact on poverty reduction there must be a macro-economic framework that guarantees stability and sustained economic growth in the medium and long term. Reducing poverty, and especially absolute poverty, depends not only on stability and economic growth but principally on the way this economic growth benefits the vulnerable groups in particular.

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<sup>2</sup> As already mentioned, the incidence of poverty in Mozambique is 69.37% (see Table 1). A 30% reduction in the incidence of poverty in the first decade of the new millennium means reducing the percentage of poor in Mozambique from 69.37% to about 49%.

Economic stability will continue to be a critical factor in ensuring that the assets of the poor do not deteriorate in the short, medium or long term. Policies that guarantee low inflation are important for maintaining economic stability. It is expected that these policies will permit average annual inflation to remain stable at around 4 to 6%.

In recent years the economy has been growing fast but living standards have risen more slowly. This is due to the impact of the high population growth rates mentioned earlier. For this reason, continued economic growth at the current rate is essential, in order to minimise the impact of demographic growth rates and also to achieve a real reduction in the incidence of absolute poverty. Table 4 highlights the evolution of production and living standards of the population in the period 2000 – 2004. According to available indicators, over the next five years economic growth of some 7 to 9% a year is envisaged. Should this happen, over the period 2000-2004, Gross Domestic Product (GDP) per capita will rise by approximately 5% a year. In this case, the *Action Plan* will be able to draft policies that influence economic growth in such a way that it reduces the incidence of absolute poverty among the population.

### ***2.1.3 Estimates of the Reduction of Absolute Poverty over the period 2000-2004***

The overall objective is to reduce the incidence of absolute poverty from its current level of about 70% to about less than 50% over the next ten years, in other words, to reduce the incidence of poverty by 30%. In order to achieve this, the Government has the intermediate objective of reducing the incidence of absolute poverty from the current level of about 70% to about 60% by the year 2004.

Over the next decade (2000-2009) the population will grow at an annual average rate of some 2.7%. Natural population growth means that the number of poor will also rise. Consequently, in order to achieve a 30% reduction in the incidence of poverty, sustainable economic growth will have to be achieved and harmonised with policies and programmes that reduce the negative impact of population growth (see Table 4 in Annex 1).

**PART 3**

**GENERAL OBJECTIVES OF THE ACTION PLAN**



### 3.1 General Objectives of the Action Plan

The general objective of the *Action Plan* is to **develop and permit effective co-ordinated monitoring of activities to reduce poverty in the medium-term and eradicate it in the long-term**. Key elements for the success of the development programme and the assault on poverty are:

- Maintaining economic stability and a rapid and sustainable pace of economic growth, taking into account the trends in the country's demographic variables (see Part 2).
- Harmony between the *Action Plan* and other policy instruments such as the Population Policy, the Food Security Strategy, the National Strategic Plan to Fight STD/HIV/AIDS, the Post-Beijing Action Plan and the Integrated National Social Action, Employment and Youth Programme (see sections 3.2.1 - 3.2.5).
- The allocation of resources so as to reduce poverty, a priority Government objective, through a medium term budget policy that includes the development of a Medium-Term Fiscal Scenario and the harmonisation of this instrument with the Economic and Social Plan and the State Budget (see sections 3.2.6).
- To guarantee institutional co-ordination and partnership between the Government, NGOs, religious confessions and the private sector on poverty reduction initiatives (see section 5.1).

### 3.2 Harmonisation of the Action Plan with other Policy Instruments

Co-ordinated efforts to reduce poverty in Mozambique require the harmonisation of PARPA activities with other policy instruments - the Population Policy, the Food Security Strategy, the National Strategic Plan to Fight STD/HIV/AIDS, the Medium-Term Fiscal Scenario, the Economic and Social Plan and the State Budget.

#### 3.2.1 Population Policy

The *Population Policy* was approved by the Council of Ministers in April 1999. This document is intended to influence the determinants of demographic variables, namely, mortality, fertility and migration so that population tendencies and dynamics contribute to the harmonious economic growth and the human development of the Mozambican population.

The main objectives of the *Population Policy* are:

- To promote the inclusion of population factors in policies and programmes aimed at improving the quality of life of the population, particularly in the provinces that have the highest incidence of poverty.
- To guarantee the availability of up-to-date information on the situation of the population and to provide people with information and education that enable women, men and adolescents to manage their reproductive and sexual lives.

- To help improve the population's life expectancy by reducing maternal and under-five mortality rates.
- To promote multi-sector and inter-disciplinary co-ordination in the formulation and implementation of intervention programmes on population issues.
- To contribute to a balanced spatial distribution of the population that reduces rural-urban migration.

As already mentioned in Part 2 of this *Action Plan*, demographic variables must be taken into account in the overall objective of reducing the incidence of poverty over the next decade. Poverty means the absence of a long, healthy life, the absence of education and an acceptable standard of living. In this respect, the *Action Plan* and the population policy share the same vision - that the satisfaction of people's basic needs lies at the heart of development policy. For example, the priority of improving the population's reproductive and sexual education is emphasised in the education and health components respectively. Overall, aspects of the various policies for improving living conditions in a context of sustained economic growth and the rational use of environmental resources are integrated into the various sectoral components presented in Part 4 of the *Action Plan*.

### 3.2.2 *Food Security Strategy*

The *Food Security Strategy* was approved by the Council of Ministers in December 1998. Food security is defined as *physical and economic access by all individuals at all times to sufficient food to sustain an active and healthy life* (GOM 1998, MPF 1998). The necessary conditions for achieving this objective included the adequate availability of food, guaranteed access to food through own production, purchase, exchange, gifts and in other ways, and the capacity of people to use the food, thereby absorbing sufficient nutrients for their needs.

The *Strategy* envisages the implementation of policy measures that ensure greater stability in family resources through (i) increased output, (ii) diversification of subsistence crops, (iii) expansion and diversification of income generation opportunities through agricultural and non-agricultural activities, and (iv) better knowledge of food production and conservation technologies.

The *Strategy* and the *Action Plan* share the same vision on the necessary conditions for reducing poverty and achieving food security in the country. Both documents emphasise the importance of economic growth and the development of human capital as fundamental pillars in this process. Although many of the actions envisaged in the Food Security Strategy are also included in the various sectoral components of the Action Plan, the *Strategy* also includes some specific activities to increase efficiency in agricultural marketing processes in order to improve food availability and access. Specifically, the *Strategy* emphasises the need:

- To create a marketing network able to provide the necessary productive inputs and to guarantee that agricultural surpluses are bought (availability).

- To create a rural financial system capable of supporting production activities and marketing by small and medium farmers and traders (availability).
- To promote access to capital by small and medium traders in order to stimulate marketing and competition (access).
- To promote nutrition education on healthy eating habits (utilisation).

### ***3.2.3 National Strategic Plan to Fight STD/HIV/AIDS***

Mozambique is facing an HIV/AIDS epidemic that in 1998 meant an adult prevalence of about 14.5% (MOH 1999). The main determinants of HIV/AIDS are poverty, unemployment, and sexual taboos and traditions.

A *National Strategic Plan to Fight STD/HIV/AIDS* (2000-2002) has been prepared to deal with the epidemic. This Strategic Plan is in accordance with the objectives and strategies of other policies and programmes such as the Population Policy and the Action *Guidelines* for the Eradication of Absolute Poverty. Its priority actions are the following:

- Activities to prevent infection, through sexual education, the treatment of STD, counselling and voluntary tests.
- Activities to reduce impact through counselling, vocational training and the promotion of self-employment.

### ***3.2.4 The Post Beijing Action Plan***

The Post Beijing Action Plan is the Government's commitment to promote the advancement of women. The Government has always pursued a policy on women's emancipation aimed at guaranteeing their participation in all spheres of society and gradually improving their standard of living.

The Government has thus defined a strategy that includes various activities to eliminate discrimination against women in both public and private life within a gender perspective.

Approved by the Council of Ministers on 5 August 1997, the plan was based on the Government's Five Year Programme and the Beijing Declaration and its objective is to help materialise Government priorities and policies with regard to equality of access and opportunity for women. It includes poverty reduction initiatives through education programmes, credit, technical assistance and the development of the informal sector.

### ***3.2.5 National Integrated Social Action, Employment and Youth Programme***

The main objective of this inter-sectoral programme, co-ordinated by the Commission for Social Reintegration, is to provide job opportunities and innovative and alternative forms of

income generation directed primarily at vulnerable groups comprising young people at risk of social exclusion, women, the disabled and others, with a view to fighting social exclusion and poverty.

### ***3.2.6 Medium Term Fiscal Scenario***

The fight against poverty means directing scarce budget resources at activities that contribute to sustained comprehensive economic growth and a better distribution of resources within the economy. The medium term fiscal scenario, an instrument for programming and managing financial resources, will introduce a medium-term vision into budget programming, guiding the allocation of resources in accordance with the Government's objectives.

The integration of sector policies through a hierarchy of objectives, where poverty reduction is clearly the centre of attention, will permit the realistic inclusion of poverty reduction initiatives, with assured resources, into the various annual Government instruments. The Government's main economic and social objectives, especially those identified in the Action Plan, will be pursued through their disaggregation in the main annual economic management instruments such as the Economic and Social Plan and the State Budget.

**PART 4**  
**SPECIFIC OBJECTIVES AND TARGETS FOR THE**  
**FIVE-YEAR PERIOD**



#### 4.1. Sectoral Objectives

The next five years (2000-2004) will be the basis for launching an integrated and co-ordinated programme aimed at eradicating absolute poverty. To this end, specific objectives and targets have been defined for the period.

The objectives defined in this *Action Plan* are in conformity with the objectives established in the strategic sector plans and programmes for the next five years. The *Action Plan* will be revised and updated each year in order to reflect realistic targets, given that there are integrated sector programmes with a 3-4 year time horizon. As already mentioned, the purpose of this *Action Plan* is to systematise those activities in the various sectors that appear to have the potential to make a direct contribution to reducing poverty.

Systematisation of these activities will facilitate the definition of priorities for the allocation of resources and will also make it possible to monitor and evaluate poverty reduction activities. Consequently, the following specific objectives have been identified for each of the key poverty reduction sectors:

##### Education

The policy objective in the Education sector is to guarantee that all children have access to primary education. The central target is rapid progress towards universal primary education, with particular emphasis on higher enrolment by girls. The poverty reduction priority in education is improved access to basic education opportunities, especially in rural areas, reducing gender disparities in both admissions and school performance. Current admission and enrolment rates will be improved and the school network will be expanded through the construction of new classrooms and the training and recruitment of teachers.

##### Health

The objective in the area of Health is to continue to promote and improve the provision of good quality and sustainable health care for the population, combined with efforts by other sectors. Expanded and improved quality and equity in access to health care will be an important component in the global strategy to fight poverty among the most vulnerable sectors of population.

##### Social Action

The essential contribution of Social Action to reducing poverty and social inequality, will be to integrate the most disadvantaged social strata into the development process. This will require, among others, the following specific actions:

- to improve the quality of social assistance services for destitute social groups in order to reduce urban and rural poverty.

- to strengthen the role of the family in protecting and developing all its members, with particular attention to children, the disabled and the elderly.
- to promote the psycho-social rehabilitation, education and vocational training of street children, orphans and destitute children and to provide for their social reintegration into their families.
- to provide social rehabilitation for delinquent children, child victims of prostitution and sexual abuse and to provide for their reintegration into society.

All these activities are based on the principle of non-institutionalisation, community participation, social justice, and the sustainability of programmed activities.

### Agriculture and Rural Development

The medium term objective in the area of Agriculture and Fisheries is to expand production capacity and improve agricultural productivity based on the development of small and medium producers.

In the specific component of post-harvest management the objective will be to make better use of surpluses in the medium-term, by promoting the processing and conservation of the main local crops.

Community participation, inter-sectoral co-ordination and decentralisation are basic fundamentals of rural development. Activities to promote rural development focus on recognition of the value of local resources, favourable terms of trade for goods and services in order to reduce transaction costs, and adequate financial services.

### Employment

The sectoral objectives in the employment field over the five-year period focus on three main components: (i) the *promotion of employment and self employment* through the rehabilitation and construction of infrastructure specially in rural areas (ii) *vocational training* that equips the economically active population to take advantage of employment opportunities and (iii) *social security* that ensures that all workers, irrespective of the sector and the size of their employer, can have a social security system that allows them to prepare for unforeseen stress situations.

### Infrastructure

The main sectoral concerns over the next five years will be to extend and improve the infrastructure network, access to clean water, access to housing and to safe and sustainable energy sources and to communications.

Access problems in rural areas, particularly access to the most productive areas, the need to establish links between these and the main urban centres, dictate the need for a road policy.

Sectoral objectives in the water supply field during the five-year period will concentrate on expanding water supply and sanitation coverage, especially for rural and low-income populations. This objective will be achieved through the provision of basic infrastructure with incentives for private sector involvement in the construction of water sources.

Investment in the environmental sanitation field will concentrate on rehabilitating and conserving existing sanitation infrastructure, particularly in the towns where the situation is worse, namely, Tete, Quelimane, Beira and Maputo.

## 4.2. Specific Objectives and Targets for the Five Year Period

### a) Education 2000-2004

#### 1. Component: Access to Education Opportunities

**Objective 1.1: To ensure that children have access to basic education of an acceptable quality, with due consideration of the need to reduce regional and gender disparities in admissions and school performance.**

*Targets*

- 1.1.1. Achieve a Gross Admission Rate of 93% in EP1.
- 1.1.2. Achieve a Gross Enrolment Rate of 88.1%, implying the provision of 33,516 classrooms and 49,622 teachers.
- 1.1.3. Achieve a Gross Enrolment Rate of 26% in EP2, implying the provision of 4,422 classrooms and 5,553 teachers.

**Objective 1.2: To ensure access to school and retention of children from poor families through the free provision of school materials and uniforms.**

*Targets*

- 1.2.1: School Fund Programme (*Caixa Escolar*) coverage of 75% of children from poor households.

**Objective 1.3: To ensure that girls have access to school and remain in school, by making parents and communities aware of the importance of girls' attendance and through the free provision of school materials, uniforms and coverage of other educational expenses.**

*Targets*

- 1.3.1: To increase the proportion of girls in EP1 from the current 43% to 45%

#### 2. Component: Reduction in Adult Illiteracy

**Objective 2.1: To expand non-formal education and adult education to all parts of the country, rural areas in particular.**

*Targets*

2.1.1: To increase the supply of literacy services in rural areas such that all districts in the country can offer these services.

Objective 2.2: To encourage companies and non-governmental organisations to provide literacy programmes for their workers and surrounding communities.

*Targets*

2.2.1. To ensure that workers in companies have access to literacy programmes.

**3. Component: Expansion of Technical-Vocational Education**

Objective 3.1: Expand access to Technical- Vocational Education, particularly in rural areas, as a way of providing vocational skills leading to better paid job opportunities.

*Targets*

3.1.1. To reopen and dynamise all the elementary agricultural and trade schools in the country.

**b) Agriculture and Rural Development (2000-2003)**

**4. Component: Increased Agricultural Productivity**

Objective 4.1: To increase the productivity of small farmers specially those with a labour shortage (many dependants) through investment in extension activities.

*Targets*

4.1.1. To facilitate and encourage the use of compost, herbicides, fertilisers and pesticides (when appropriate and profitable). To increase the use of pesticides and fertilisers from 1.8% to 6%.

4.1.2. To facilitate and encourage the use of improved seeds.

4.1.3. To increase the proportion of the population with access to extension services from 17.5% to 27%.

4.1.4. To increase the proportion of households using animal traction from 4.9% to 5.3% in areas where this is practised.

4.1.5. To encourage and begin the development of small irrigation systems.

Objective 4.2: To continue work on the application of the land law and its respective regulations.

*Targets*

4.2.1. To monitor access to and ownership of productive land by each rural household.

Objective 4.3: To improve the potential of small fishermen through the introduction of techniques that increase productivity.

*Targets*

- 4.3.1. To introduce and guarantee new conservation techniques in coastal areas.
- 4.3.2. Through extension services, to encourage people to include fish products in their diets.

**Objective 4.4: To promote animal husbandry as a source of food security and income.**

*Targets*

- 4.4.1. To encourage the consumption of meat, milk and eggs through extension services.
- 4.4.2. To promote the development of cattle through the rehabilitation of cattle infrastructure.
- 4.4.3. To develop promotion and restocking programmes and the preservation of local breeds.

**Objective 4.5: To improve access to market information in rural areas.**

*Targets*

- 4.5.1. To maintain the national information system on agricultural markets
- 4.5.2. To expand provincial information systems on agricultural markets

**Objective 4.6: To guarantee that agricultural surpluses are put to better use.**

*Targets*

- 4.6.1. To facilitate increased storage capacity for crops

**5. Component: Rural Development**

***Objective 5.1:*     To promote access to financial resources by low income rural populations.**

*Targets*

- 5.1.1. To guarantee adequate financial services for 100,000 clients.

***Objective 5.2:*     To encourage and help rural communities to intervene in local investment.**

*Targets*

- 5.2.1. To involve 20 districts and 100 rural communities in the identification, implementation and maintenance of public investments.

***Objective 5.3:*     To promote community responsibility for the management of natural resources.**

*Targets*

- 5.3.1. To prepare and disseminate local resource management methodologies.

**Objective 5.4:** To promote an associational culture and rural communication.

*Targets*

- 5.4.1. To promote the establishment of local sports clubs and cultural centres.
- 5.4.2. To create local information networks, including wider use of community audio visual media.

**c) Infrastructure (2000-2004)**

**6. Component: Expansion and Improvement of the Infrastructure Network**

**Objective 6.1:** To expand and improve the quality of roads in order to permit marketing and reduce transaction costs.

*Targets*

- 6.1.1. To reduce the proportion of impassable roads from the current 10% to under 5%.
- 6.1.2. To reduce the proportion of bad roads from the current 32% to 25%.
- 6.1.3. To ensure that each province and in particular districts with the greatest agricultural and livestock potential are linked to each other and to their respective provincial capitals by roads that permit circulation throughout the year.
- 6.1.4. To guarantee that 100% of the localities in districts with the greatest agricultural potential are linked to their district capitals by roads that permit circulation throughout the year.

**Objective 6.2:** To facilitate commercial exchange between peasants and access to manufactured goods and agricultural inputs.

*Targets*

- 6.2.1. To ensure the existence of district and village markets (commercial network) and give priority to credit and savings systems in the districts with the greatest agricultural potential.

**7. Component: Access to Clean Water**

**Objective 7.1:** To ensure that the population has access to clean water, specially the rural population.

*Targets*

- 7.1.1. To ensure that 50% of the urban population has access to water supplies.
- 7.1.2. To ensure that 40% of the rural population has access to water supplies.
- 7.1.3. To increase low cost sanitation coverage in urban areas to 50%.

**8. Component: Improved Access to and Quality of Housing**

**Objective 8.1:** To pursue the promotion of self-construction and low-cost housing.

*Targets*

8.1.1. In urban areas, to reduce the percentage of the population living in huts and shacks.

**9. Component: Access to Safe and Sustainable Energy**

**Objective 9.1: To expand electrification and promote its use for agro-industrial and domestic purposes.**

*Targets*

9.1.1. To ensure that all district capitals are supplied with electricity.

9.1.2. The electrification of 60,000 new houses in urban, peri-urban and rural areas.

**10. Component: Access to Communications**

**Objective 10.1: To reduce the geographic isolation of the population and promote access to information.**

*Targets*

10.1.1. To ensure the extension of communications systems, particularly in rural areas

**d) Health (2000-2004)**

**11. Component: Expansion of Access and Improved Mother and Child and Under-Five Health Care**

**Objective 11.1: To promote and provide good quality and sustainable health care, equitably and efficiently, making it accessible to the population, especially the less privileged groups.**

*Targets*

11.1.1. To increase coverage and access to good quality basic health services, particularly in rural areas.

**Objective 11.2: To increase access and improve the quality of health care for women.**

*Targets*

11.2.1. To reduce the intra-hospital maternal mortality rate to 100/100,000 live births.

11.2.2. To cover about 90% of women in ante-natal consultations, with the effective identification of High Risk Obstetric Cases.

11.2.3. To increase institutional delivery coverage to 50%.

11.2.4. To increase post-natal consultation coverage to 50%.

11.2.5. To increase women's family planning coverage to 12%.

**Objective 11.3: To improve Infant and Under-five Health Care.**

*Targets*

11.3.1. To reduce the under-five mortality rate from 219/1000 live births to <200/1000 live births.

- 11.3.2. To maintain coverage of first consultations for infants aged 0-11 months at 98% (the 1997 coverage level).
- 11.3.3. To increase coverage of first consultations for children aged 0-4 years from 46% to 60%.

**Objective 11.4: To prevent the main endemic diseases affecting children through immunisation.**

*Targets*

- 11.4.1. To ensure that at least 75% of children born in the next ten years have complete immunisation (with 8 antigens) before they are one year old, especially in rural areas.
- 11.4.2. To maintain the current national coverage of 98% immunisation of children under one against tuberculosis.
- 11.4.3. To achieve 98% national immunisation coverage against polio and DTP for children aged 0-23 months.
- 11.4.4. To achieve 95% national immunisation coverage against measles for children aged 9-23 months.
- 11.4.5. To achieve 60% immunisation of women of fertile age against tetanus.

**Objective 11.5: To improve the health and health knowledge of young people and adolescents through school health activities.**

*Targets*

- 11.5.1. To create appropriate health services that meet the reproductive health needs of adolescents.
- 11.5.2. To train personnel for family planning work with adolescents, the treatment of abortion complications and the prevention and treatment of HIV/AIDS.

**12. Component: STD/AIDS (2000-2002)**

**Objective 12.1: To prevent HIV infection.**

*Targets*

- 12.1.1. To carry out good quality essential prevention actions for the 2,310,000 people who acknowledge that they have had sexual relations with irregular partners.
- 12.1.2. To expand coverage of the more vulnerable groups: to provide peer education for 1,250,000 vulnerable people.
- 12.1.3. To carry out education, information and communication campaigns on STD/HIV/AIDS, including plays, for 3,900,000 people.
- 12.1.4. To increase the availability of condoms in places frequented by high-risk groups.
- 12.1.5. To establish six counselling offices and voluntary and confidential tests in the cities of Maputo, Chimoio, Beira, Nampula, Tete and Quelimane.

**Objective 12.2: To provide assistance for people living with HIV/AIDS.**

*Targets*

- 12.2.1. To provide access to essential healthcare: 30,000 instances of clinical care and 9,500 of home care for people living with HIV/AIDS and their families.
- 12.2.2. To create 8 units for daytime hospitalisation in Maputo, Beira, Chimoio, Nampula, Tete and Quelimane.
- 12.2.3. To provide psycho-medical-social assistance in all health centres in the district capitals in the South, Centre and North corridors.

**Objective 12.3: To reduce the impact of AIDS.**

*Targets*

- 12.3.1. To guarantee access to voluntary and confidential tests for 32,000 people living with HIV.
- 12.3.2. To guarantee the distribution of 4,500,000 condoms for people living with HIV.
- 12.3.3. To guarantee access to credit for income generation activities for 13,500 people a year living with HIV/AIDS or members of their families.

**13. Component: Nutrition**

**Objective 13.1: To reduce the prevalence and incidence of lack of micro-nutrients (Iodine, Vitamin A., Iron) in children and women of fertile age.**

*Targets*

(Vitamin A)

- 13.1.1. To distribute vitamin A in capsules to all children aged 6-59 months brought for consultations.
- 13.1.2. To increase consumption of food rich in vitamin A.
- 13.1.3. To investigate the viability of fortifying sugar with vitamin A.

(Iodine)

- 13.1.4. To continue the distribution of capsules for the target group (school age children and women in the affected districts).
- 13.1.4. To promote the availability and consumption of iodised salt.

(Iron)

- 13.1.6. To investigate the possibility of reinforcing food with iron.

**Objective 13.2: To reduce protein-energy malnutrition.**

- 13.2.1. To reduce stunting rates, low birthweight and improve nutrition education in health units and communities.
- 13.2.2. To improve coverage and treatment of children with severe malnutrition.

**e) Employment (2000-2004)**

**14. Component: Promotion of Employment and Self-employment**

**Objective 14.1: To make the rehabilitation and construction of rural infrastructure a source of local employment.**

*Targets*

14.1.1. To guarantee that at least 10% of the labour used in the construction and rehabilitation of infrastructure and in agricultural and industrial undertakings, is recruited locally.

**Objective 14.2:** To promote employment and self-employment in rural areas.

*Targets*

14.2.1. To promote employment through agro-industrial companies, large scale agriculture and in small and micro agricultural enterprises.

14.2.2. To reduce the proportion of the urban population dependent on agriculture from 45% to 25%.

**Objective 14.3: To create job opportunities for people living in absolute poverty but who are able to work.**

*Targets*

14.3.1. To identify, guide and train 16,000 poor people for their socio-economic development.

**15. Component: Vocational Training**

**Objective 15.1: To equip the uneducated economically active population to take advantage of job opportunities.**

*Targets*

15.1.1. To ensure that in 50% of uneducated households at least one person has some vocational training, preferably the head of the household.

**f) Social Security and Assistance (2000-2003)**

**16. Component: Direct Social Assistance**

**Objective 16.1: To develop direct social assistance programmes for needy individuals in need, especially destitute children or those from poor households, the elderly, and the disabled.**

16.1.1. To provide food subsidies and social support for 90,132 women.

16.1.2. To assist 16,000 children living in difficult circumstances.

16.1.3. To engage 33,140 disabled people in the Community Based Care Programme (CBC) and provide economic support for a further 3,000.

16.1.4. To provide food subsidies for 54,390 disabled people.

- 16.1.5. To help 629,270 elderly people through the food subsidy programme.
- 16.1.6. To involve 1,200 drug addicts in rehabilitation programmes.
- 16.1.7. To assist 3,120 chronically sick and destitute people with food subsidies and social assistance.
- 16.1.8. To involve 7,500 young people in development associations.
- 16.1.9. To involve religious confessions and NGOs.

**Objective 16.2:** To improve the efficiency and effectiveness of the current pension systems in both the civil service and other sectors.

*Targets*

- 16.2.1. To ensure that every worker, irrespective of the sector and the size of his/her employer, has a social security system that enables them to prepare for unforeseen stress situations such as accidents at work.

**17. Component: Social Rehabilitation of Vulnerable Groups**

**Objective 17.1:** To engage 33,000 people from vulnerable groups in income generating activities (5,000 in the formal sector) - women, the disabled, drug addicts, ex-convicts and people infected with HIV.

*Targets*

- 17.1.1. To engage 6,000 women in income generating activities.
- 17.1.2. To engage 750 members of households with destitute children and 4,000 street children in income generating activities.
- 17.1.3. To engage 3,000 disabled people in income generating activities.
- 17.1.4. To engage 500 former young drug addicts in income generating activities.
- 17.1.5. To engage 3,000 ex-convicts in income generating activities.
- 17.1.6. 16,500 poor people able to work preferably single mothers, unemployed youths of both sexes and members of poor households.

**g) Food Security**

**18. Component: Improved Household Food Security**

**Objective 18.1:** To ensure the availability of food.

*Targets*

- 18.1.1. To improve the workings of the disaster management system, including a global early warning system.
- 18.1.2. To establish mechanisms for ensuring the availability of basic foodstuffs for distribution in the event of emergencies.
- 18.1.3. To increase the capacity of households to produce sufficient calories throughout the whole year.

- 18.1.4. To actively encourage the establishment of farmers' associations able to negotiate more aggressively the acquisition of inputs and to serve as focal points for extension activities.

**Objective 18.2:** To ensure access to food.

*Targets*

- 18.2.1. To encourage the entry of new traders into marketing systems by reducing the bureaucracy associated with obtaining a licence.
- 18.2.2. To improve postal services and the mobile banking system in rural areas in order to assist families with their communications and the transfer of remittances.
- 18.2.3. To establish a provincial system for gathering food prices.
- 18.2.4. To encourage the establishment of savings systems in rural areas.

**Objective 18.3:** To ensure the use of food.

*Targets*

- 18.3.1. To improve the quality of diets in rural areas.
- 18.3.2. To include nutrition education in training programmes for extension agents and in primary education programmes.

**h) Institutional Capacity Building on Poverty Issues (2000-2004)**

**19. Component: Training**

**Objective 19.1:** To promote in-service training in the formulation, analysis and monitoring of programmes and policies to fight poverty for planning technicians in ministries and at province level.

*Targets*

- 19.1.1. To guarantee that every year all sector and provincial development plans and budgets explicitly contemplate the fight against poverty.
- 19.1.2. To build the capacity of sectors and provinces to produce and analyse poverty monitoring indicators.

**Objective 19.2:** To promote postgraduate training in poverty analysis and evaluation techniques.

*Targets*

- 19.2.1. To train 10 national technicians.

**Objective 19.3:** To introduce seminars on poverty analysis into the curricula of university economic and social science courses.

*Targets*

19.3.1. To hold annual seminars and encourage thesis work on poverty.

**20. Component: Research**

**Objective 20.1: To promote and conduct studies on the poverty situation in the country, in particular specific studies at province and district level.**

*Targets*

20.1.1. To conduct studies that permit specific interventions to reduce poverty in each district and province.

**Objective 20.2: To obtain more detailed knowledge of the specific features of priority target groups for poverty reduction and appropriate policies to help them.**

*Targets*

20.2.1. To propose appropriate interventions for each specific target group.

**Objective 20.3: To ensure the efficient allocation of resources.**

*Targets*

20.3.1. To conduct studies on the financial impact (State Budget) of the various alternative poverty reduction policies and strategies.

**4.3. Sector Matrices**

This section presents matrices for the period 2000-2004 for the following sectors: Education, Agriculture, Infrastructure, Health, Employment, Social Security and Capacity Building on poverty issues.

Each matrix has nine columns: the first contains the various components, numbered from 1 to 18 in section 4.2. The second and third columns summarise the specific objectives and targets and their respective identification numbers. The fourth column provides information on the current situation in 1999. When it was not possible to obtain estimates for that year, the last available estimates were used. Columns 5-8 present the activities (or projections) for the years 2000-2004. However, not all sectors have been able to provide data for this period. In most cases it was only possible to complete the 2000 column, on the basis of information provided by the sectors on specific activities for that year. The budget for the implementation of the *Action Plan* will have to be revised each year and made compatible with the medium-term fiscal scenario.

**SECTORAL MATRICES**

**a) Education**

Component	Objectives	Five-Year Targets	Current Situation (1999)	2000 (Projections)	2001	2002	2003	2004	Budget (10 <sup>9</sup> MT)
1) Access to Education Opportunities	1.1 To ensure that children have access to basic education of acceptable quality, taking into account the need to reduce regional and gender disparities in admission and school performance.	1.1.1 (EP1) Gross Admission Rate 93.0%	82.5% [Base year 1996: 75.0%]	86.0%	88.0%	90.0%	92.0%	93.0%	47
		1.1.2 Gross Enrolment rate 88.1%	74.9% [Base year 1996: 61.7%]	78.7%	81.9%	84.5%	86.6%	88.1%	
		Total 33,516 classrooms ▼	24,707 [Base year 1996: 19,251]	26,730 (2,023 new classrooms)	28,603 (1,873)	30,358 (1,755)	32,020 (1,662)	33,516 (1,496)	
		49,662 teachers	34,804 [Base year 1996: 26,503]	38,037 (3,929 new teachers)	41,115 (3,839)	44,073 (3,780)	46,947 (3,755)	49,622 (3,614)	
		1.1.3 (EP2) Gross Enrolment rate 26% ▼	16.9% [Base year 1996: 14.8%]	18.2%	20.0%	22.0%	24.0%	26.0%	
		4,442 classrooms ▼	2,331 [Base year 1996: 1,479]	2,733 (402 new classrooms)	3,273 (540)	3,642 (369)	4,022 (380)	4,442 (420)	
		5,553 teachers	3,210 [Base year 1996: 2,656]	3,549 (403)	3,988 (510)	4,483 (575)	5,001 (608)	5,553 (652)	
Carried-over									47

Carried over									47
Component	Objective	Five-Year Targets	Current Situation (1999)	2000 (Activities)	2001	2002	2003	2004	Budget
<i>(Access to Education Opportunities)</i>	<b>1.2</b> To ensure access to school for poor children and their permanent attendance	<b>1.2.1</b> Through the School Fund Programme, cover 75% of children from poor households. (EP1)	-	- Poor pupils in schools identified and selected - necessary resources for assistance assured ➤ <u>31,200 pupils with improved access</u>	%	%	%	<b>75% of poor children covered</b>	47
	<b>1.3</b> To ensure access to school for girls and their permanent attendance	<b>1.3.1</b> Increase the proportion of girl pupils in EP1 to 45%	43%	- Raised awareness of communities and parents on girls' education. - Scholarships provided to girls	%	%	%	<b>Proportion increased to 45%</b>	
<b>2) Reduction of Adult Illiteracy Rate</b>	<b>2.1</b> Expansion of non-formal education to all parts of the country, especially rural areas.	<b>2.1.1.</b> Increase the supply of literacy services	Illiteracy rate in 1994: 39.5%	- Expansion of Literacy Unit coverage indices ➤ <u>30,000 people made literate</u>	%	%	%	<b>Fall in adult illiteracy rate</b>	
	<b>2.2</b> Encourage companies and NGOs to develop literacy programmes for their workers	<b>2.2.1</b> Ensure access to literacy for workers in companies		-					
<b>3) Expansion of Technical-Vocational Education</b>	<b>3.1</b> Expansion of access to technical-vocational education mainly in rural areas in order to provide skills for better paid jobs.	<b>3.3.1</b> Re-open all elementary agricultural and trade schools	Currently 5 schools (C.Delgado, Nampula, Manica, Gaza e Maputo)	1 school opened (Gaza)	-	-	-	<b>Schools re-opened in all provinces</b>	
<b>Total Education</b>									<b>47</b>

Source: (MINED 1998, 1999)

## b) Agriculture and Rural Development

Component	Objective	Five-Year Targets	Current Situation (1998)	2000 (Activities)	2001	2002	2003	2004	Budget (10 <sup>9</sup> MT)
4) Increased productivity in Agriculture	4.1 Increase productivity of small farmers, especially those with labour problems through investment in extension activities.	4.1.1 Facilitate and encourage the use of compost, herbicides, fertilisers and pesticides.	1.8% of the population use pesticides and fertilisers.	- Carry out a study of the national distribution system for chemical inputs. - Establish a working group on the development of the input market.	2%	4%	6%		
		4.1.2 Facilitate and encourage the use of improved seeds	- poor seed stocks - Only 20% of farmers buy seeds	- Guaranteed existence of strategic seed reserves. - Dissemination of legislation on seeds. - Studies on local seed production	%	%	Proportion increased		
		4.1.3 Increase the proportion of the population with access to extension services.	17.5% of the population live in villages where some people receive extension services.	Train extension workers on farmer groups and associations.	20%	25%	27%		
		4.1.4 Increase the proportion of households using animal traction in areas where this is practised.	4.9%	- Cattle promotion - Promote training courses on cattle management - Start credit systems		5.1%	5.3%		
		4.1.5 Encourage and begin the development of small-scale irrigation systems.	Poor development of small-scale irrigation	Implement small irrigation systems	-	-	Pilot systems started and evaluated		

Carried over

Carried over										
Component	Objectives	Five-Year Targets	Current Situation (1998)	2000 (Activities)	2001	2002	2003	2004	Budget	
<i>(Increased Productivity in Agriculture)</i>	4.2 Continue work on application of the Land Law and its respective regulations.	4.2.1 Monitor each household's access to and ownership of productive land.	Existence of high potential areas with land conflicts.	Mark community areas in zones with high conflict potential on land ownership.	-	-	Improved land access and ownership		-	
	4.3 Enhance small fishermen by introducing techniques that result in higher productivity and the renewal of resources.	4.3.1 Introduce new conservation techniques in coastal areas.	Absence of conservation techniques in coastal areas.	New techniques disseminated in coastal areas.	-	-	Techniques introduced in provinces			
		4.3.2 Encourage the inclusion of fish products in diets through extension services.	Consumption proportion: 6.34%	-	-	-	Rise in consumption			
	4.4 Promote animal husbandry as a source of food security and income.	4.4.1 Increase consumption of meat and milk/eggs.	Meat: 5.34% Eggs: 0.40%	-	%	%	Rise in consumption			
		4.4.2 Promote animal husbandry	Poor animal infrastructure	Rehabilitate infrastructure (Maputo, Gaza, Inhambane): dip tanks, watering places, abattoirs etc.	-	-	Infrastructure rehabilitated			
		4.4.3 Advance development programmes, restocking and the conservation of local breeds.	Shortage of cattle restocking	- 3 cattle breeders associations formed - 500 breeding cattle acquired - 60 beneficiary families per province.	-	-	Development programmes promoted			
	4.5 Improve access to market information in rural areas.	4.5.1 Maintain a national information system on agricultural markets.	Functional information system	-	-	-	System kept operational			
		4.5.2 Expand agricultural market information systems.	2 provincial systems established	3 systems	2 systems	2 systems	7 systems established			
	Carried over									

Carried over										
Component	Objectives	Five-Year Targets	Current Situation (1998)	2000 (activities)	2001	2002	2003	2004	Budget	
(Increased Productivity in Agriculture)	4.6 Guarantee better use of agricultural surpluses	4.6.1 Facilitate increased storage capacity for crops.	Poor storage capacity	- New storage technologies disseminated in 5 provinces - Storage infrastructure built and/or rehabilitated in 5 provinces	-	-	Good storage capacity.		80	
5) Rural Development	5.1 Promote access to funds for low-income rural population.	5.1.1 Guarantee adequate financial services for 100,000 clients	5,000 low-income clients served.	-	-	-	-	-		
	5.2 Encourage and support rural communities to get involved in local investment.	5.2.1 Involve 20 districts and 100 rural communities in the identification, implementation and management of public investments.	Various micro-projects implemented with community participation in several provinces.	-	-	-	-	-		
	5.3 Promote community responsibility for natural resource management	5.3.1 Prepare and disseminate local resource management methodologies.	Some pilot experiments in community management.	-	-	-	-	-		
	5.4 Promote a culture of associations and rural communication.	5.4.1 Promote the establishment of local sports and cultural clubs.	-	-	-	-	-	-	-	
		5.4.2 Establish local information networks including expansion of the community audio-visual media.	-	-	-	-	-	-	-	
<b>Total Agriculture</b>									<b>80</b>	

Source: (MPF 1998, MAP 1998)

c) Infrastructure									
Component	Objective	Five-Year targets	Current situation (1998)	2000 (Activities)	2001	2002	2003	2004	Budget (10 <sup>9</sup> MT)
6) Infrastructure network expanded and improved.	6.1 Expand and improve the quality of roads to permit marketing and reduce transaction costs, especially in the districts with the highest agricultural and livestock potential.	6.1.1 Reduce the proportion of impassable roads to less than 5%.	10%	Reopening roads in rural areas and poor provinces	8.5%	7%	6%	under 5%	85 (Rural)
		6.1.2 Reduce the proportion of poor roads to 25%	32%	Continuation of work to improve road conditions	30%	28%	26%	25%	24 (Municipalities)
		6.1.3 Link districts to provincial capitals (districts with the greatest agricultural and animal potential) through roads that permit circulation throughout the year.	Reasonable links	Rehabilitation of 195 Km of primary roads (Maputo-Ressano; Gorongosa-Caia, Quelimane-Namacurra, Nampula-Nacala; Pemba-Montepuez) and 265 Km secondary roads (C. Delgado e Zambézia)	406Km	426Km	407 Km	(253 km) Districts linked to provincial capitals.	
		6.1.4 Link localities to district capitals (districts with the greatest agricultural and animal potential) through roads that permit circulation throughout the year.	Difficult links	Rehabilitation of 600Km of tertiary roads in all provinces.	550Km	550Km	550Km	(550km) Localities linked to district capitals/	
	6.2 Facilitate commercial interchange between peasants, access to manufactured goods and agricultural inputs.	6.2.1 Encourage the establishment of markets in all districts and villages.	Lack of markets	-	-	-	-	Markets exist	
7) Improved access to clean water	7.1 Ensure access to clean water for the population, especially the rural population.	7.1.1 Water coverage for 50% of the urban population	44% (exc. Maputo the large cities, Matola, Beira and Nampula)	-	%	%	%	50%	23 (Rural water)
Carried over									132

Carried over		132							
Component	Objective	Five-Year Targets	Current Situation (1998)	2000 (Activities)	2001	2002	2003	2004	Budget
(Better access to clean water)	(7.1) Ensure access to clean water, especially for the rural population.	7.1.2 Ensure 40% of the rural population covered by rural water supply.	12%	- 573 sources built - 520 sources rehabilitated - 1093 pumps acquired - Rehabilitated small systems in Caia, Gurúe, Manhiça, Xinavane & Magude	%	%	%	40%	132
		7.1.3 Increase urban low-cost sanitation coverage to 50%.	100,000 people served by latrines in the 47 largest urban centres.	200,000 people served by latrines in the 47 largest urban centres.	%	%	%	50%	
8) Better access to and quality of housing	8.1 Continue to promote the self-construction of low-cost housing.	8.1.1 In urban areas, reduce the percentage of people living in sheds and huts.		Credit provided for self-construction of houses.	%	%	%	Small proportion	16
9) Access to safe and sustainable energy sources	9.1 Expand electrification and promote its use for agro-industrial and domestic purposes.	9.1.1 All district capitals supplied with electricity	Weak coverage in district capitals.	Electrification of district capitals: Govuro, Dombe, Ponta do Ouro, Mecanheles, Metangula, Marávia, Chiúta, Tambara, Guro e Machanga	-	-	-	District capitals supplied with electricity.	
		9.1.2 Electrify 60,000 new houses in urban and peri-urban areas.	-	Electrification of 8,500 new houses in rural, peri-urban and urban areas.  Inter-connection Xai-Xai- l'bane, (110KV0) Alto Molócue-Gurué, Gurué-Cuamba-Lichinga, Nampula Pemba	-	-	-	60.000 houses supplied with electricity	
10) Access to communications	10.1 Reduce the geographic isolation of the population and promote access to information.	10.1.1 Expand communication systems in rural areas.	-	-	-	-	-	Existing communications systems	
<b>Total Infrastructure</b>									<b>148</b>

Source: (MOPH 1998)

**d) Health**

Component	Objective	Target	Current Situation (1997-1998)	2000 (Activities, %)	2001	2002	2003	2004	Budget (10*9MT)
11) Expanded Access and Better Health Care	11.1 To make good quality health care accessible to disadvantaged groups.	11.1.1 Expand coverage and access to good quality basic health services, especially in rural areas.	-	-	-	-	-	-	Expanded access
	11.2 Improve access and quality of health care for women.	11.2.1 Reduce Intra-Hospital Maternal Mortality Rate to <100/100,000 live births	150/100,000	-	-	-	-	-	<100/100000
		11.2.2 90% of women ante-natal consultation coverage	84%	%	%	%	%	%	90%
		11.2.3 Increase institutional deliveries to 50%	37%	41%	%	%	%	%	50%
		11.2.4 Increase postnatal consultations to 50%	40%	43%	%	%	%	%	50%
		11.2.5 Increase coverage of women protected by family planning to 12%	7%	9%	%	%	%	%	12%
	11.3 Improve infant and under-five health care	11.3.1 Reduce Under-Five Mortality Rate to <200/1000 live births	219/1000	-	-	-	-	-	<200/1000
		11.3.2 Maintain first consultation for infants 0-11 months coverage at 98%	98%	Update demographic data (projections)	%	%	%	%	98%
		11.3.3 Increase first consultation coverage for children 0-4 years to 60%	46%	-	%	%	%	%	60%
	Carried over								

Carried over									202	
Component	Objective	Target	Current situation	2000 (Activities)	2001	2002	2003	2004	Budget	
[Expanded Access and better quality health care]	11.4 Prevent the main endemic diseases affecting children through immunisation.	11.4.1 Ensure that 75% of children born over the next 10 years have complete immunisation before they are one year old.	-	11 provincial seminars on immunisation held	%	%	%	75%	202	
		11.4.2 Maintain 98% national coverage for immunisation of children under one against tuberculosis.	98%	%	%	%	%	98%		
		11.4.3 Reach 98% national coverage for immunisation of children aged 0-23 months against polio and DTP	87%	%	%	%	%	98%		
		11.4.4 Achieve 95% coverage for immunisation of children 9-23 months against measles.	86%	%	%	%	%	95%		
		11.4.5 Reach 60% national coverage immunisation against tetanus for women of fertile age.	32%	%	%	%	%	60%		
	11.5 Improve the health of young people and adolescents through school health activities.	11.5.1 Establish appropriate health services to meet the reproductive health needs of the adolescent.	4 Treatment Centres for Adolescents created	-	- Increase the number of Adolescent Treatment Centres to 7 - 3 seminars on Youth and Adolescent Health held.	-	-	-		10 Health Service centres created.
		11.5.2 Train personnel to work with adolescents on Family Planning and in the field of AIDS prevention and treatment.	-	-	Train 50% of the staff linked to Adolescents and Youth.	-	-	-		Staff trained
12) STD/AIDS	12.1 Prevent HIV infection	12.1.1 Carry out good quality preventive activities for the 2,310,000 people who acknowledge having had sexual relations with irregular partners.	1,140,000 HIV infected adults (14.5% prevalence in the adult population)	Provide 1,200,00 STD treatments, 50,400 counselling and voluntary tests, 150,000 blood transfusion controls, 1,200,000 tests for syphilis e 265,200 health education sessions						
Carried over									202	

Carried over								202	
Component	Objective	Five-Year Target	Current situation	2000 (Activities)	2001	2002	2003	2004	Budget
(STD/AIDS)	(12.1)	<b>12.1.2</b> Expand coverage of the more vulnerable groups: ensure peer education for 1,250,000 vulnerable people	Vulnerable groups: street children, people with STD, students and out-of-school young people, lorry drivers, miners, policemen, soldiers, uneducated women, sex workers and convicts.	2,000 street children 600,000 young people 13,000 drivers 4,000 miners 16,000 policemen 16,000 soldiers 300,000 vuln. women 20,000 sex workers 4,000 convicts	4,000 800,000 15,000 5,000 17,000 17,000 400,000 25,000 5,000	5,000 1,000,000 19,000 6,000 18,000 18,000 500,000 30,000 6,000			202
		<b>12.1.3</b> Conduct Education, Information and Communication campaigns on STD/HIV/AIDS, including plays for 3,900,000 people.	Some campaigns ongoing	Put 90% of the educational material in places frequented by vulnerable groups.	-	Routine campaigns carried out.			
		<b>12.1.4</b> Make more condoms available	-	Sale and distribution of 122,380,000 condoms	-	More condoms available			
		<b>12.1.5</b> Establish 6 offices for Counselling and Voluntary and Confidential tests in the towns of Maputo, Chimoio, Beira, Nampula, Tete e Quelimane	-	-	-	6 Offices established			
	<b>12.2</b> Assist people living with HIV/AIDS	<b>12.2.1</b> Provide access and good quality essential services: 30,000 clinical treatments and 9,500 home treatments for people living with HIV/AIDS and their families	-	-	-	Good quality service offered.			
		<b>12.2.2</b> Establish 8 units for day in-patients in Maputo, Chimoio, Beira, Nampula, Tete and Quelimane	-	-	-	8 units created			
Carried over								202	

Carried over									202
Component	Objectives	Five-Year Targets	Current Situation	2000	2001	2002	2003	2004	Budget
(STD/AIDS)	(12.2)	<b>12.2.3</b> Provide psycho-medical- social support in all health centres in district capitals in the Centre, North and South corridors.	-	-	-	Support assured			202
	12.3 Reduce the impact of AIDS	<b>12.3.1</b> Ensure access to voluntary and confidential tests for 32,000 people living with HIV	No data available	7,000	10 000	15,000			
		<b>12.3.2</b> Guarantee distribution of 4,500,000 condoms for people living with HIV	-	1,000,000	1 500 000	2,000,000			
		<b>12.3.3</b> Guarantee access to credit for income generating activities for 13,500 people a year living with HIV/AIDS, or members of their families	13,500	4,500	4.500	4,500			
13) Nutrition	13.1 Reduce the prevalence and incidence of micronutrient deficiencies (iodine, Vitamin A, Iron) in children and women of fertile age.	<b>13.1.1 Vitamin A</b> Distribute Vitamin A capsules to all children aged 6-59 months brought for consultations	Distribution of capsules on immunisation days	Distribution of capsules during the month of special attention (April)	Distribution of capsules during the special attention month or during normal consultations for healthy children.	idem	idem	idem	
		<b>13.1.2</b> Increase consumption of foods rich in Vitamin A	Testing varieties of orange sweet potato and their acceptance.	Continued tests on varieties and multiplication	Distribution of varieties and nutrition education on the advantages of eating food rich in Vitamin A.	Continuation of nutrition education	idem	idem	
		<b>13.1.3</b> Study the viability of reinforcing sugar with Vitamin A	Initial contacts with national sugar companies	Investigate the target group's economic access to sugar	Preparation of specific plans if the strategy is viable	idem	idem	idem	
		<b>13.1.4 (Iodine)</b> Continue distributing capsules to the target group (school-age children and women in the districts affected)	Distribution of capsules in Niassa and Tete	Distribution of capsules in Cabo Delgado and Manica	Continuation in other provinces	idem	idem	idem	
Carried over									202

Carried over									202
Component	Objectives	Five-Year Targets	Current situation	2000	2001	2002	2003	2004	Budget
[Nutrition]	[Objective 13.1]	13.1.5 Promote the availability and consumption of iodised salt.	- Iodised salt provided to producers. - Social mobilisation campaign - Preparation of legislation	- Continued provision and awareness raising - Approval and implementation of the law	- Continued provision and awareness raising - Monitoring implementation of the law.	idem	idem	idem	
		13.1.6 Study the possibility of reinforcing food with iron.	No research being done	Research ongoing	Programmes formulated in the light of the research results.	Programme implementation started	continuation	continuation	
	13.2 Reduce protein energy malnutrition	13.2.1 Reduce stunting rates, low birth weight and improve nutrition education in Health Units and communities.	Weak implementation of existing Nutrition and Health Education Programme.	- Preparation of Studies on food habits - Raising awareness of health unit staff on need for better nutrition education.	Dissemination of new messages and nutrition education material. Nutrition education initiatives started in communities.	idem	idem	idem	
		13.2.2 Expand coverage and treat children suffering from serious malnutrition.	- Treatment norms being revised - Proposal prepared on a new Milk, Oil, Sugar Programme (MOS)	- Dissemination of new norms - Implementation of new MOS programme.	Continuation	idem	idem	idem	
<b>Total Health</b>									<b>202</b>

Source: (GOM 1999a, MOH 1999, INE 1998, MPF 1998)

**e) Employment**

Component	Objective	Five-Year targets	Current Situation (1999)	2000 (Activities)	2001	2002	2003	2004	Budget (10^9MT)
14) Promotion of Employment and Self-Employment	14.1 Use the rehabilitation and construction of rural infrastructure as a source of local employment.	14.1.1 At least 10% of the labour for infrastructure construction and rehabilitation is recruited locally.	-	%	%	%	%	10%	
	14.2 Promote employment and self-employment in rural areas.	14.2.1 Promote employment through agro-industries, large-scale agriculture and small agricultural micro-enterprises.	No sources of income other than subsistence agriculture.	- Micro-enterprises (Maputo, Nampula, Beira): - 3,528 loans granted to small and micro-enterprises - 1,500 job opportunities created in rural areas.	-	-	-	Employment promoted	
		14.2.2 Urban areas: Reduce the proportion of the population dependent on agriculture to 25%	Urban areas: 45%	%	%	%	%	25%	
	14.3 Create job opportunities for people living in absolute poverty but able to work.	14.3.1 Identify, support and train 16,000 poor people in order to promote their socio-economic development	-	4,000 poor people identified, supported and trained	No.	No.	No.	16,000	
Carried over									

Carried over									
Component	Objective	Five-Year Targets	Current Situation	2000 (Activities)	2001	2002	2003	2004	Budget
15) Vocational Training	15.1 Equip the uneducated economically active population to take advantage of job opportunities.	15.1.1 Ensure that in 50% of uneducated households at least the household head has vocational training.	Low levels of education in poor families	- 1,500 vulnerable individuals trained	-%	-%	-%	50% of poor households have one person trained.	
<b>Total employment</b>									

Source: (MINLAB 1999, MICAS et al. 1997)

## f) Social Security

Component	Objective	Target (2000-2003)	Current Situation (1999)	2000	2001	2002	2003	2004	Budget (10 <sup>9</sup> MT)
16) Direct social assistance	16.1 Develop social assistance programmes that cover people in need, mainly children who are destitute/traumatised and from poor families, the disabled, drug addicts, ex-convicts and young people (single mothers).	16.1.1 Provide food subsidies and social support for 90,132 women	51% of Mozambican women live in absolute poverty.	13,920	16,240	18,328	20,532	21,112	61
		16.1.2 Assist 16,000 children living in difficult circumstances	250,000 children live in difficult circumstances.	4,000	4,000	4,000	4,000	4,000	
		16.1.3 Involve 33,140 disabled people in the CBC Programme; provide economic support for a further 3,000	800,000 people are disabled, and most are extremely vulnerable.	5,000	5,850	6,700	7,600	7,990	
		16.1.4 Provide food subsidy programme support to 54,390 disabled people.	2,800 disabled currently assisted.	8,400	9,800	11,060	12,390	12,740	
		16.1.5 Provide food subsidy programme support to 692,270 elderly people.	Some 90,000 elderly in rural areas are destitute	97,200	113,400	127,980	143,370	147,420	
		16.1.6 Involve 1,200 drug addicts in rehabilitation programmes.	The drug phenomenon has risen in recent years.	No.	No.	No.	No.	1,200	
		16.1.7 Provide 3,120 chronically ill and destitute with a food subsidy and social support.	230 chronically ill assisted	480	560	632	708	730	
		16.1.8 Involve 7,500 young people in development associations	Many young people are unemployed.	No.	No.	No.	No.	7,500	
Carried over									61

Carried over									61
Component	Objective	Targets (2000-2003)	Current Situation	2000	2001	2002	2003	2004	Budget
<i>(Direct Social Assistance)</i>	(16.1)	16.1.8 Involve religious confessions and NGOs	-	-	-	-	-	Routine involvement of NGOs and religious confessions	61
	16.2 Improve efficiency and effectiveness of the current pensions systems in both the civil service and the remaining sectors.	16.2.1 Increase the number of workers included in the Social Security System (SSS)	-	-	-	-	-	All workers included in the SSS	
17) Social Rehabilitation of Vulnerable Groups	17.1 Involve 33,000 people from vulnerable groups in income-generating activities (5,000 in the formal sector), namely, women, disabled, drug addicts, inmates and people infected with HIV.	17.1.1 6,000 women	-	No.	No.	No.	No.	6,000	
		17.1.2 750 members of households with destitute children. 4,000 street children	-	No.	No.	No.	No.	750	
		17.1.3 3,000 disabled people	-	No.	No.	No.	No.	3,000	
		17.1.4 300 households with abandoned old people	-	No.	No.	No.	No.	300	
		17.1.4 500 young former drug addicts	-	No.	No.	No.	No.	500	
		17.1.5 3,000 ex-convicts	-	No.	No.	No.	No.	3,000	
		17.1.6 16,000 people, preferably single mothers, unemployed youth of both sexes and members of poor households.	-	2,000	2,500	3,500	4,000	4,500	
<b>Total Social Security</b>									<b>61</b>

Source: (MICAS et al. 1997)

## h) Food Security

Component	Objective	Targets (2000-2004)	Current Situation (1999)	2000 (Activities)	2001	2002	2003	2004	Budget (10 <sup>9</sup> MT)	
18) Improved Household Food Security	18.1 Guarantee availability of food	18.1.1 Improve disaster operation and management, including a comprehensive early warning system.	Disaster management system in transition	Establish appropriate mechanisms (financial, early warning, co-ordination between agencies, food distribution) at the Disaster Management Institute.				The system functions better	-	
		18.1.2 Establish mechanisms to ensure that basic foodstuffs are available for distribution during an emergency.	Weak mechanisms	Undertake viability studies	- Ensure availability of funds to import essential goods in cases of emergency. - Create a food reserve system - Establish a set of rules for all food aid importers.			Funds provided Food reserve system established Mechanisms established		
		18.1.3 Improve the capacity of families to produce sufficient calories throughout the year.	Weak capacity of families to produce calories throughout the year.	Selection of priority areas	- Massive promotion of improved cassava and sweet potato varieties in appropriate agro-ecological areas. - More research by INIA on improved varieties of beans.					Improved capacity to produce calories
		18.1.4 Encourage the establishment of farmer associations	Weak capacity of farmer associations	-	-	-	-	Farmer associations established		
Carried over										

Carried over									
Component	Objective	Targets (2000-2004)	Current Situation	2000	2001	2002	2003	2004	Budget
<i>(Improved household food security)</i>	18.2 Ensure access to food by families	18.2.1 Encourage the entry of new traders into the system by reducing the bureaucracy for obtaining a license.	Bureaucratic obstacles to the entry of new traders to the marketing system.	Monitoring and evaluation of the evolution of reforms affecting traders.	-	-	-	Improved access	-
		18.2.2 Improve the postal and mobile banking system in rural areas to help families communicate and send remittances.	Weak postal and mobile banking network	Efforts to reduce the average distance to postal and banking systems.	-	-	-	Reduced distance	-
		18.2.3 Establish a provincial system for gathering food prices.	Weak data collection system at province level	Data available at province level on basic foods.	-	-	-	Data available	-
		18.2.4 Encourage the establishment of savings systems in rural areas.	Savings system virtually non-existent	-	-	-	-	Savings systems established	-
	18.3 Ensure use of food by families	18.3.1 Improve the quality of diets in rural areas.	High level of nutritional diseases	Monitoring the diversity of diet through the simple monitoring index of the Agro-Animal Census.	-	-	-	Diet improved	-
		18.3.2 Nutrition education in the training of extensionists and in primary education programmes.	Nutrition components not included.	Monitoring the preparation of teaching materials and their inclusion in established extension and education systems.	-	-	-	Nutrition education included in training and primary education.	-
<b>Total Food Security</b>									

(Source: GOM 1998)

**g) Institutional Capacity Building for Poverty Issues**

Component	Objective	Five-Year Targets	Current Situation (1999)	2000 (Activities)	2001	2002	2003	2004	Budget (10 <sup>9</sup> MT)
19) Training	19.1 Promote in-service training for ministerial and province planning technicians in the formulation, analysis and monitoring of programmes and policies to fight poverty.	19.1.1 Guarantee that all province sector development plans and budgets have an explicit poverty fight vision.	No explicit vision included in the Economic and Social Plan (ESP) and the state budget.	Raise awareness of sectors and provinces through work on the Medium Term Fiscal Scenario and the Action Plan. Inclusion of Action Plan objectives in ESP and budget methodologies, orientations and preparation.	-	-	-	Explicit poverty vision included in ESP and budget.	50
		19.1.2 Build sector and province capacity to produce poverty monitoring indicators.	-	Raise awareness of sectors and provinces through work on the MTFIS and PARPA.	-	-	-	Sectors and provinces able to produce indicators	
	19.2 Promote post-graduate training in poverty analysis and evaluation techniques.	19.2.1 Train 10 technicians at national level.	Shortage of technicians.	-	No.	No.	No.	10 technicians trained.	
	19.3 Introduce seminars on poverty analysis in higher education curricula in economics and social sciences.	19.3.1 Hold annual seminars and courses on poverty and organise thesis work on poverty.	Shortage of seminars, courses and academic work on poverty.	Course on poverty Analysis and Public Policies (Part II)	Annually offer a full course on poverty Analysis and Public Policies held.			Seminars and courses are routine	
20) Research	20.1 Promote and conduct studies on the poverty situation, with emphasis on specific province and district situations.	20.1.1 Do studies that permit poverty reduction interventions in each district and province.	Lack of specific information	Production of Provincial Poverty Profiles.	-	-	-	Specific information available	

Carried over

50

Carried over									50
Component	Objective	Five-Year	Current Situation	2000 (Activities)	2001	2002	2003	2004	Budget
(Research)	20.2 Detailed knowledge of the specific characteristics of poverty reduction priority target groups and the appropriate policies to assist them.	20.2.1 Propose specific interventions for each target group	Lack of detailed information on target groups	-	-	-	-	Detailed information available	50
	20.3 Ensure efficient allocation of resources.	20.3.1 Do studies on the financial impact of alternative poverty reduction policies and strategies.	No financial impact studies	-	-	-	-	Information on financial impact available	
<b>Total Institutional Capacity Building</b>									<b>50</b>

(Source: MPF)

Total Education	47
Total Agriculture	80
Total Infrastructure	148
Total Health	202
Total Employment	
Total Social Security	61
Total Food Security	-
Total Institutional Capacity Building on Poverty Issues	50
<b>Total (MT'9)</b>	<b>588</b>



**PART 5**

**COORDINATION, IMPLEMENTATION AND INDICATORS**



## 5.1 Implementation and Coordination Mechanisms

In order to ensure the efficient and effective implementation of the Action Plan, inter-sectoral co-ordination mechanisms have to be established.

### 5.1.1. *Partnership and Institutional Co-ordination*

Since poverty is a multi-dimensional phenomenon, it requires the involvement of a variety of institutions in the formulation of strategies and programmes to fight poverty, and in monitoring and evaluating their implementation. One of the great challenges in achieving the objectives of the fight against poverty is to mobilise public awareness so that society as a whole feels responsible and that it is part of the process.

The Government has begun the process of diagnosing the population's level of well-being by establishing the profile and the determinants of poverty. Given that, in addition to Government institutions, all segments of society should play an active role in the fight against poverty, there is also a need for the massive involvement of civil society: religious confessions, NGOs, community organisations, professional associations and the private sector. The full involvement of civil society will permit complementarity between the various institutions, and the rational use of resources in the implementation of specific programmes to fight poverty.

The *private sector*, represented by the business community should play a relevant role befitting its potential in the fight against poverty, establishing partnerships with communities, municipalities and the Government. The simplification of procedures for the establishment of private sector initiatives, together with the establishment of effective norms, is a key element in the creation of a favourable environment for the development of small and medium enterprises in particular.

*Civil society and NGOs in particular* are the third type of social institution of importance in the development process. Their close links with communities give NGOs and religious confessions a comparative advantage in the conception and implementation of specific programmes to fight poverty. They can act as intermediaries between the Government and communities, and play an active role in the dissemination of information on the underlying objectives of the *Poverty Reduction Action Plan*. Associated with the dissemination of information, civil society must also play an active role in advocacy leading to national consensus in the fight against poverty. The implementation of specific local programmes is another area where NGOs have an advantage.

*Academic and research institutions* must be involved in the diagnosis of the situation in the country in order to facilitate an understanding of the impact of policies on the well-being of citizens, and to influence the application of the results of studies in the formulation and/or revision of policies. In addition, academic institutions can play a role in the creation of national policy research and analysis capacity by promoting specialist courses in close partnership with Government institutions and the international community.

The *media* should participate in publicising relevant and successful experiences in the fight against poverty, thereby stimulating greater involvement by the public in the implementation of specific programmes. Given the nature of its activity, the media play an important role in the dissemination of the Poverty Reduction Action Plan so that the population know about it and become aware of the need for society to be totally committed to the fight against poverty.

In short, this exercise should permit the various stakeholders and decision-makers in particular, to gradually influence the conception and implementation of more explicit and targeted development policies that accelerate poverty reduction. All institutions and society in general should concentrate attention and priorities on programmed activities that fight poverty. This collaboration will facilitate synergies between Government institutions and intermediary organisations that have closer links with communities. The Artists Against Poverty Movement is one example of the use of synergies in art, and an instrument for conveying to everyone the message that they should be committed to the fight against poverty. In addition, the Artists Against Poverty Movement made it possible to establish partnerships with the donor community and with the business sector in the fight against poverty.

### ***5.1.2. Decentralisation and Participatory Development***

The establishment of a legal and institutional framework to ensure community involvement and participation in the fight against poverty is of particular importance. One of the strategies for the institutionalisation of society's participation in this process will be the decentralised implementation of the *Poverty Reduction Action Plan* on the basis of the experience gained during the ongoing participatory district planning process. More specific action plans need to be formulated at province level. To a large extent the formulation of provincial plans will depend on the preparation of provincial poverty profiles. Decentralised planning is an important step and an important component in ensuring that local needs are reflected in policy formulation and programme implementation. Simultaneously, there is a need to develop a public awareness raising strategy that builds on the efforts needed to fight poverty.

### ***5.1.3. Inter-Sectoral Coordination***

Given that poverty reduction must be an integrated exercise, activities must be co-ordinated in order to avoid duplication of effort or the adoption of strategies that are incompatible with the poverty production objective. This coordination should take place at district, province and central level. There are a variety of experiences of co-ordinated work that should be disseminated.

The Technical Population Office (TPO) is an inter-ministerial and inter-sectoral forum. Its responsibilities include monitoring and commenting on implementation of the population policy and its consistency with the poverty reduction objective. At the moment this forum only operates at central level. In order to make the *Action Plan* more operational and bring it closer to the local reality, the forum should also be established at provincial level to supervise the implementation of the Plan. In the fight against poverty, the Technical Population Office should have the following overall responsibilities:

- To guarantee harmonised efforts in the fight against poverty.
- To dynamise the preparation of specific poverty reduction action plans.
- To regularly monitor and evaluate implementation of the *Action Plan*.

More specifically, implementation of the *Action Plan* means achieving the following specific objectives:

### **Coordination**

**Objective:** To establish inter-sectoral coordination mechanisms for implementing and monitoring the *Action Plan*.

- *Targets:* The Technical Population Office should accompany implementation of the *Action Plan* and report to the Economic Council.

### **Monitoring**

**Objective:** To identify monitoring indicators and establish the respective national and provincial systems through the Economic and Social Plan.

- *Targets:* Studies undertaken annually

## **5.2. Monitoring and evaluation**

Achieving the objectives of the *Action Plan* necessarily means establishing a monitoring system that regularly measures its rate of implementation and its impact.

### **5.2.1. Type of Monitoring Indicators**

This *Action Plan* will be monitored each year in each sector. To facilitate the monitoring of Plan activities, the sectors involved in the Plan will have to produce annual matrices containing a set of indicators. These will include input, process and impact indicators:

- (i) *Input indicators* refer to the “means” by which *Action Plan* activities will be implemented. These indicators measure the quantity (or quality) of resources provided for Plan activities. For example, indicators of this kind include funds, human resources, training, equipment, materials and the recurrent costs of these items.
- (ii) *Process indicators* measure the performance of the activities carried out with the resources made available during implementation of the activity. Depending on the nature of the activity, this kind of indicator could include: number of people vaccinated, small farmers visited, kilometres of road built, etc.

- (iii) *Impact indicators* measure the quantity and quality of the results achieved during Plan implementation and the provision of goods and services. In the case of the *Action Plan* impact indicators can be identified by component (for example education), or can be more comprehensive (for example, changes in poverty levels due to increased access to education).

Permanent monitoring of overall implementation of the *Action Plan* will require the identification of sector process monitoring indicators; the more comprehensive impact evaluation will require household surveys that can be conducted every five years.

### **5.2.2. Proposed Indicators**

The selection of global indicators has been based on the following criteria:

- (i) Non-ambiguity
- (ii) Comparability
- (iii) Data collection capacity

A system for gathering both quantitative and qualitative information must be established at national and provincial level in order to regularly accompany implementation and measure the impact of the programmes included in the *Action Plan*. In addition to National Surveys there must be rapid participatory assessments involving civil society, to complement the information gathered by the sectors. The integrated data collection and dissemination system to be established will take into account the capacity of the various institutions involved in the process.

The main monitoring instruments will be the Economic and Social Plan, the State Budget and specific annual reports. Given the above criteria and the component objectives contemplated in the Plan the following indicators are suggested:

## Annual indicators

Table 5 presents the set of annual indicators for each sector.

**Table 5 Annual and Five-Year Monitoring Indicators**

<b>Sector</b>	<b>Annual Indicators</b>
<i>a) Demographic Area</i>	<ul style="list-style-type: none"> <li>- Population growth rate.</li> <li>- Life expectancy.</li> <li>- Global fertility rate.</li> <li>- Dependency rate.</li> </ul>
<i>b) Macro-economic Area</i>	<ul style="list-style-type: none"> <li>- Economic growth rate (GDP).</li> <li>- GDP per capita.</li> <li>- Inflation rate.</li> <li>- Proportion of public expenditure for social sectors.</li> </ul>
<i>c) Food Security</i>	<ul style="list-style-type: none"> <li>- Food balance (cereals availability and requirements).</li> <li>- Total production of basic crops.</li> <li>- Prices of basic crops.</li> <li>- Environmental situation (drought, floods, pest outbreaks and disasters).</li> </ul>
<i>d) Education</i>	<ul style="list-style-type: none"> <li>- Gross enrolment rate.</li> <li>- Gross admission rate.</li> <li>- Number of schools.</li> <li>- Number of pupils.</li> <li>- Percentage of girls.</li> <li>- Number of graduates (Grade 5).</li> <li>- Pupil/teacher ratio.</li> </ul>
<i>e) Agriculture and Rural Development</i>	<ul style="list-style-type: none"> <li>- Prices of basic food crops.</li> <li>- Production of basic food crops.</li> <li>- Productivity per hectare of the main crops.</li> <li>- Animal production and derivatives (eggs and milk).</li> <li>- Artisan fishing.</li> <li>- Family sector agricultural marketing</li> <li>- Fish products marketed (artisan)</li> <li>- Situation of agricultural markets.</li> </ul>
<i>f) Infrastructure</i>	<ul style="list-style-type: none"> <li>- Km of primary and secondary roads rehabilitated.</li> <li>- Km de tertiary roads rehabilitated and built.</li> <li>- Percentage of good, bad, reasonable and impassable roads (national level).</li> <li>- Number of wells and boreholes re-opened.</li> <li>- % of people supplied with piped water (rural and urban).</li> </ul>
<i>g) Health</i>	<ul style="list-style-type: none"> <li>- AIDS e HIV prevalence.</li> <li>- Number of antenatal consultations.</li> <li>- Number of institutional deliveries.</li> <li>- Immunisation coverage (tuberculosis, polio, measles and tetanus).</li> <li>- Low birth weight rate</li> <li>- Stunting rate</li> </ul>
<i>h) Employment</i>	<ul style="list-style-type: none"> <li>- Unemployment rate.</li> <li>- Number of jobs created (rural and urban areas).</li> <li>- Social security system beneficiaries (work reintegration).</li> </ul>
<i>i) Social Security</i>	<ul style="list-style-type: none"> <li>- Number of children assisted (engaged in occupational activities, assisted in special centres, provided with food subsidies).</li> <li>- Number of disabled assisted.</li> <li>- Number of elderly assisted.</li> <li>- Number of drug addicts rehabilitated.</li> </ul>
<i>j) Institutional Capacity Building in Poverty Issues</i>	<ul style="list-style-type: none"> <li>- Inclusion of a poverty perspective in sector and province development plans.</li> <li>- Number of technicians trained in poverty analysis.</li> <li>- Number of annual seminars and courses on poverty.</li> <li>- Research results</li> </ul>

**Main Five Year Indicators**

The following five-year indicators have also been considered:

- Maternal mortality rate.
- Infant mortality rate.
- Neonatal mortality rate.
- Number of inhabitants per Health Unit
- Poverty gap index
- Poverty depth index
- Squared poverty gap index
- Adult illiteracy rate
- Human development index

## Anexo 1

**Table 4: Demographic and macroeconomic context**

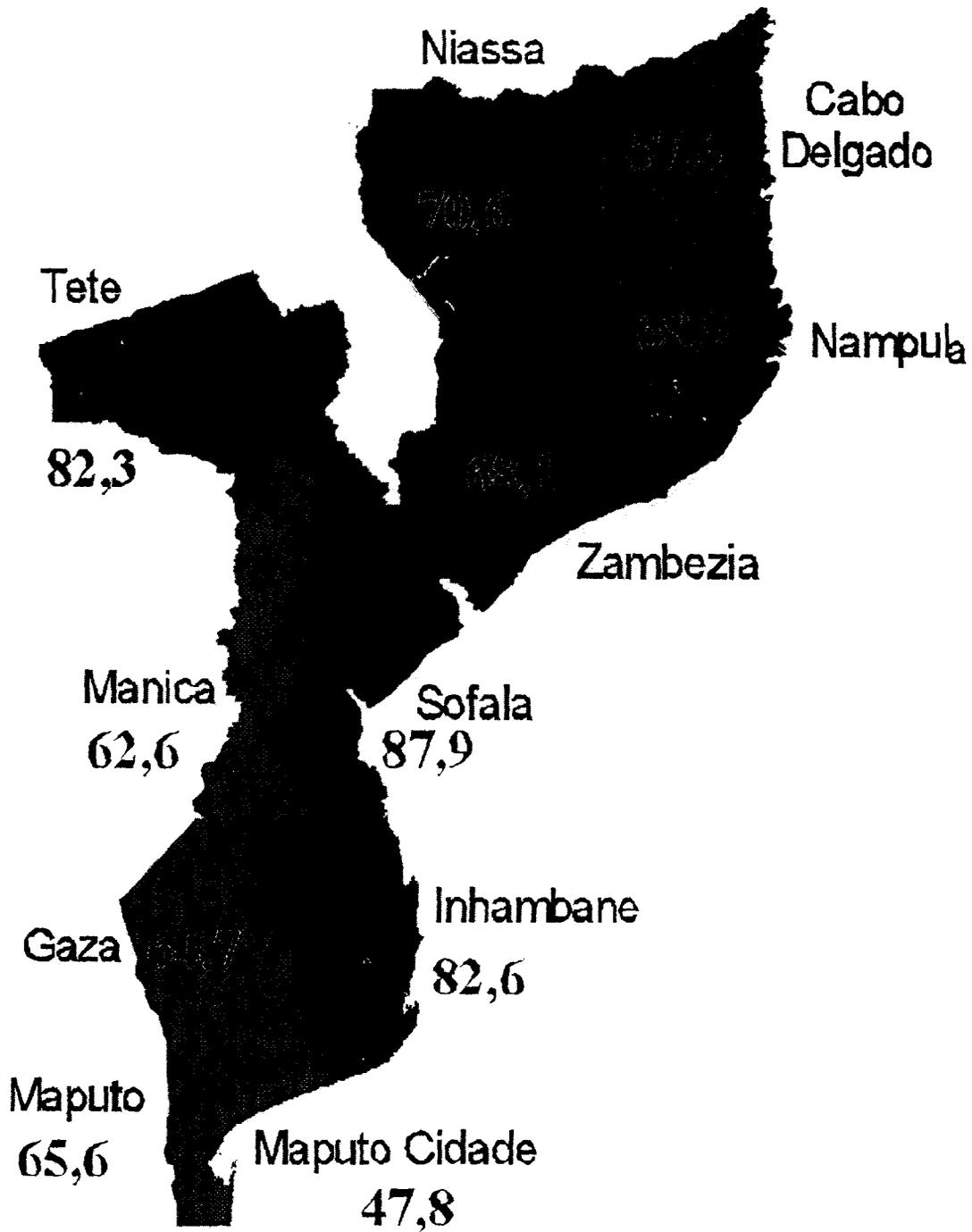
Description	Estimates 1999-2004									
	1996	1997	1998	1999	2000	2001	2002	2003	2004	Average 2000-2004
<b>1. Population Dynamics</b>										
1.1. Total population (10 <sup>6</sup> inhabitants)	15.7	16.1	16.4	16.8	17.2	17.6	18.1	18.5	19.0	100
North		5.3	5.4	5.5	5.7	5.8	5.9	6.0	6.2	32.5
Center		6.7	6.9	7.0	7.2	7.4	7.5	7.7	7.9	41.8
South (incl. Maputo C.)		4.1	4.2	4.3	4.4	4.5	4.6	4.8	4.9	25.8
South (excl. Maputo C.)		3.1	3.2	3.3	3.3	3.4	3.5	3.6	3.7	19.5
Maputo C.		1.0	1.0	1.0	1.0	1.0	1.0	1.1	1.1	5.6
1.2. Projections of demographic growth (%)		2.297	2.326	2.348	2.365	2.379	2.393	2.401	2.411	2.390
North		2.114	2.142	2.160	2.173	2.187	2.202	2.223	2.243	2.206
Center		2.332	2.364	2.392	2.414	2.432	2.448	2.457	24.660	6.882
South (incl. Maputo C.)		2.475	2.497	2.515	2.527	2.537	2.543	2.536	2.533	2.535
South (excl. Maputo C.)		2.475	2.497	2.515	2.527	2.537	2.543	2.536	2.533	2.535
Maputo C.		0.897	0.982	1.076	1.164	1.246	1.321	1.382	1.451	1.313
1.3. Some demographic indicators										
Gross fertility rate		44.32	43.97	43.56	43.1	42.63	42.17	41.7	41.25	
Gross mortality rate		21.34	20.27	19.21	18.19	17.19	16.2	15.23	14.29	
Life expectancy		42.28	42.88	43.48	44.09	44.69	45.3	45.85	46.41	
Infant mortality rate (0-1 year)		145.45	142.0	138.99	135.79	132.58	129.37	126.47	123.56	
Global fecundity rate		5.90	5.83	5.77	5.71	5.65	5.59	5.53	5.47	
Dependency ratio										
(0-14)+(65+)		91.0	90.7	90.4	90.1	89.7	89.1	88.3	87.5	
(0-14)		85.5	85.3	85.1	84.9	84.6	84.0	83.4	82.6	
(65+)		5.5	5.4	5.3	5.2	5.1	5.0	5.0	4.9	
<b>2. Macroeconomic indicators</b>										
Nominal GDP 10 <sup>9</sup> MT a/	32,719	40,603	46,203	51,560	57,767	67,768	78,281	90,415	104,429	
Real growth rate (%)		11.7	12.1	9.0	8.3	8.0	8.0	7.5	7.5	7.8
Average annual inflation rate (%)	16.3	5.9	0.6	1.5	6.6	5.0	5.0	5.0	5.0	

Description	1996	1997	1998	Estimates 1999-2004						Average 2000-2004	
				1999	2000	2001	2002	2003	2004		
<b>3. Evolution of the poor population</b>											
										(inhabitants)	
3.1. Natural growth of poor population (10 <sup>6</sup> inhabitants)		11.2	11.5	11.7	12.0	12.3	12.6	12.9	13.2	2,011,248	18%
North		3.5	3.6	3.7	3.7	3.8	3.9	4.0	4.1	576,710	16%
Center		4.9	5.1	5.2	5.3	5.4	5.6	5.7	5.9	906,953	18%
South (incl. Maputo C.)		2.7	2.8	2.8	2.9	3.0	3.1	3.1	3.2	520,125	19%
South (excl. Maputo C.)		2.2	2.3	2.3	2.4	2.5	2.5	2.6	2.7	429,038	19%
Maputo C.		0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	39,712	8%
3.2. Percentage reduction in the incidence of poverty					-2.1	-2.1	-2.1	-2.1	-2.1		-7.40
National		69.37	69.37	69.37	67.30	65.20	63.10	61.00	59.00		-10.4
North		66.28	66.30	66.30	64.20	62.10	60.00	58.00	55.90		-10.4
Center		73.81	73.80	73.80	71.70	69.60	67.60	65.50	63.40		-10.4
South (incl. Maputo C.)		65.80	65.80	65.80	63.70	61.60	59.60	57.50	55.40		-10.4
South (excl. Maputo C.)		71.67	71.70	71.70	69.60	67.50	65.40	63.37	61.30		-10.4
Maputo C.		47.84	47.80	47.80	45.80	43.70	41.60	39.50	37.40		-10.4
3.3. Impact of the reduction of the incidence of poor population (10 <sup>6</sup> inhabitants)	11.2	11.4	11.7	11.60	11.50	10.40	10.30	10.20	28.709	0.3%	
North	3.5	3.6	3.7	3.6	3.6	3.5	3.5	3.4	-65.321	-2%	
Center	4.9	5.1	5.2	5.2	5.1	5.1	5.1	5.0	81.925	-2%	
South (incl. Maputo C.)	2.7	2.8	2.8	2.8	2.8	2.8	2.8	2.7	11.248	-0%	
South (excl. Maputo C.)	2.2	2.3	2.3	2.3	2.3	2.3	2.3	2.3	43.657	-2%	
Maputo C.	0.5	0.5	0.5	0.5	0.04	0.07	0.09	0.11	-71.726	-15%	
3.4. Estimates of the reduction of absolute poverty (10 <sup>6</sup> inhabitants.)b/	0.00	0.00	0.00	0.36	0.73	1.13	1.54	1.97	1.973.017		
North	0.00	0.00	0.00	0.12	0.24	0.37	0.50	0.64	642.031		
Center	0.00	0.00	0.00	0.15	0.31	0.47	0.64	0.83	1.146.842		
South (incl. Maputo C.)	0.00	0.00	0.00	0.09	0.19	0.29	0.40	0.51	508.877		
South (excl. Maputo C.)	0.00	0.00	0.00	0.07	0.14	0.22	0.30	0.39	385.380		
Maputo C.	0.00	0.00	0.00	0.02	0.04	0.07	0.09	0.11	111.438		
<b>4. Evolution of the non poor population (10<sup>6</sup> inhabitants)</b>											
4.1 Estimation of the non-poor (10 <sup>6</sup> inhabitants)	4.9	5.0	5.2	5.6	6.1	6.7	7.2	7.8	2.856.869	58.0%	
North	1.8	1.8	1.9	2.0	2.2	2.4	2.5	2.7	935.432	52.3%	
Center	1.8	1.8	1.8	2.0	2.2	2.4	2.7	2.9	1.146.842	65.4%	
South (incl. Maputo C.)	1.4	1.4	1.5	1.0	1.7	1.9	2.0	2.2	779.215	55.6%	
South (excl. Maputo C.)	0.9	0.9	0.9	1.0	1.1	1.2	1.3	1.4	554.972	63.1%	
Maputo C.	0.5	0.5	0.5	0.6	0.6	0.6	0.6	0.7	154.737	30.0%	
	4.9	5.1	5.2	5.7	6.2	7.2	7.2	7.8	3.571.199	72.2%	

Source: MPF 1999; INE 1999; INE 1999 a/Data estimated according to the methodology of the National Account System, b/This estimate conjugates the objective of the Guidelines For the Eradication of Absolute Poverty and the control of the impact of population demographic growth.

Annex 2

Map 1. Incidence of poverty by province





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