

MOZAMBIQUE CPE NRTW

Maputo, 2 March 2017

PMD TALKING POINTS

1. Excelentíssimo Sr. Domingos Lambo, Secretario Permanente, Ministério de Economia e Finanças da República de Moçambique
2. Ex.mo Sr Adriano Ubisse, Diretor Nacional do Tesouro, Ministério de Economia e Finanças
3. Ex.ma Sra. Isabel Sumar, Diretora Nacional de Cooperação, Min. de Economia e Finanças
4. Sr. Oscar Garcia, Diretor do Escritório independente de avaliação do FIDA
5. Sr. Sana Jatta, Diretor da Divisão Regional para África Oriental e Austral, FIDA
6. Sr. Robson Mutandi, Diretor do Escritório do FIDA em Moçambique
7. Autoridades nacionais e internacionais
8. Colegas das agencias de cooperação, da ONU e do FIDA
9. Senhoras e senhores:

Permitam-me começar esse breve discurso em português, embora tenha que segui-lo em inglês por razões de protocolo, trazendo e compartilhando as mais cordiais saudações e parabéns de parte do Sr Perin Saint Ange, Vice Presidente Associado do FIDA e chefe do Departamento de Gestão de Programas do Fundo, quem infelizmente não teve a possibilidade de estar aqui hoje conosco, devido a importantes compromissos previamente assumidos na sede do FIDA. E, por trâmite do Sr AVP Saint Ange, trazer as mais cordiais saudações de parte do Sr Presidente do FIDA, o doutor Kanayo Nwanze, quem tem visitado muito recentemente este país lindo e acolhedor, que eu tive o privilégio de começar a conhecer por primeira vez a principio desta mesma semana.

[English] Let me also take this opportunity to mention the recent election of the former Prime Minister of Togo, Mr Gilbert Fossoun Hounbo, to the highest position at IFAD as of April 1, 2017. I feel and believe it is a reason of great pride for all Africans to have the International Fund for Agricultural Development, a UN agency and an IFI whose successes in supporting rural poverty reduction are well-known and appreciated worldwide, to be driven once again by an African leader. The candidacy of Mr Fossoun Hounbo' was unanimously endorsed by the governments of the African Union, and all these governments supported him throughout a tough and complex electoral process. The Government of Mozambique was an active partner in this success, united with all other African nations and many more, and should be congratulated for this.

Africa is central to the Fund's mandate. Over 50% of our resources flow to the African continent. At the same time, our donors are asking IFAD to develop differentiated tools to engage in fragile states, vis-à-vis MICs or even HICs. To make our programmes mutually relevant in very different contexts, our experiences across continents need to be better integrated. When the AVP/PMD asked me, the CPM for Brazil, to make this statement on behalf of the Programme Management Department, I was initially surprised. Why this choice? I do speak Portuguese - more or less - but this speech is delivered in English, the

language in which Mr Saint Ange would have delivered it, had he had the possibility to be here today. So why this CPM?

Then I thought of the increasing importance of SSTC in today's development scenario. As ODA and its financial resources are proving increasingly inadequate and insufficient to solve increasing development challenges, horizontal cooperation between developing countries offers a new range of development opportunities. Brazil and Mozambique have strong historical, cultural, social and economic ties: in spite of the current economic difficulties that both countries are experiencing, such ties are permanent, and offer a standing opportunity to explore SSTC options, also making use of the newly-created IFAD's SSTC financial facility to generate opportunities for knowledge sharing to reach other countries, other continents, other potential partners that may support your work in future. Cross-fertilization and sharing among regions needs to be intensified, for the benefit of all. Effective M&E systems and KM tools need to be used to let your successes be known beyond your comfort zones, way beyond the local circles of technical specialists and colleagues.

I would like to thank my colleague Oscar Garcia, Director of IFAD's Independent Office of Evaluation and, through him, his team that worked on this specific CPE and provided important insights for future strategy development in Mozambique. In this respect, it is frequently observed that independent evaluations by IOE and self-evaluations by PMD's Operational Programming and Effectiveness Unit often coincide in their analyses and conclusions. I wonder, and hope, that we can think of compatible systems, that work for a common purpose, within each unit and division's respective institutional roles and, in the case of IOE, in the absolute respect of its independence of analysis, judgement and recommendations for future action.

Related to this, a second reflection on IOE's outstanding recommendations, and again a question: why are so many evaluation recommendations still waiting to be implemented? Are we, in PMD, taking action on a sufficient number of evaluations? It is my hope that Mozambique and ESA will lead the way by example in their follow up on this CPE and the Agreement at Completion Point it will generate.

From 2006 onwards, IFAD underwent a structural transformation process by starting to supervise the projects it co-financed. In 2010, we started to decentralize our Rome-based structure, aware that IFAD needs to be where our joint projects can make a difference in the lives of rural people. Since then, IFAD deployed its presence in over 40 countries worldwide, and more may be coming soon. Strengthening the technical and managerial capacity of our ICOs is key to enable them to develop and support our growing portfolio, in Mozambique as worldwide. Knowing the human and professional quality of its staff, I trust our ICO in Mozambique will be a success story in dealing with such universal challenges.

Honourable authorities, Ladies and Gentleman,

My esteemed colleagues Sana Jatta, Regional Director ESA and Robson Mutandi, Country Director, will certainly share their vision on the future of IFAD's country strategy and programme, which will be consolidated into a new COSOP at the end of a participatory strategic planning process, in close cooperation with government authorities, civil servants, technical cooperation agencies and IFIs, public and private partners and, last but not least, producers' organizations. As an outside observer, and one who had the privilege to visit one of your projects earlier this week, allow me to mention a few highlights and express a few suggestions, from the perspective of IFAD's Department of Operations:

1. We look favourably to a potential focus of future IFAD investments in Mozambique around fisheries, agricultural and livestock inclusive value chains; to investments along development corridors; to investment in rural financial services, enterprise development and value addition: all this, while ensuring a sustainable natural resources management and the adoption of climate-smart technologies, as simple as they may be, to offset the dire consequences of climate change.
2. We support a thorough review of the principles of engagements and relevance of the service provider approach in IFAD-supported projects countrywide.
3. We'd appreciate to see emphasis placed on climate change resilience and adaption, and see innovative tools considered to enhance the capacity of rural people to mitigate the many risks associated with floods, cyclones and droughts, that affect Mozambique with a concerning, increasingly high frequency.
4. We suggest you consider the development of a sectoral approach to inclusive finance for rural areas. Rural finance relates to sustainable development as much as fuel relates to a car: you may have the fastest car in the world, but without fuel, you wouldn't race with anyone – not even a bicycle. Accessible rural financial services go far beyond rural credit: they are about savings, insurance, remittances and the list may continue. Over its 40 years of experience in promoting economically viable and sustainable development initiatives in the world's most remote areas, IFAD has developed a broad range of financial instruments and tools, some of which would certainly help small farmers and fisherfolks in Mozambique to express their potential in becoming small-scale entrepreneurs and drivers of change in their own communities, as it happened in many other countries where government policies and IFAD experience worked together to identify a locally suitable range of financial services, and scale up successful ones after appropriate testing. A sectoral approach to inclusive rural finance would have to be developed within the policy framework designed by the Government of Mozambique. Strategic and technical collaboration with other development partners would also be needed, since developing a dynamic and inclusive rural financial sector is a daunting challenge, and no single development agent can prevail through isolated, short-term initiatives.

5. Consider broadening the value chain approach to include the most deprived and vulnerable segments of IFAD's target group: the rural people. Beware that such inclusion will not happen on its own. The asymmetries between small farmers and agribusiness enterprises, or between small producers and supermarkets, create a gap in negotiation capacities that a neutral value chain promoter, or "champion", needs to bridge. Think of your role as public guarantors of fair agreements, that look at the interest of both the small and the large player, and ensure that all share the same information basis on costs, prices and market opportunities, and all benefit from investing on inclusive value chains.

6. Again, based on IFAD's worldwide experience, keep your focus on increasing the participation of youth and women. Regardless of how modern, fancy or cute your new strategy may look, you will not succeed without an active participation of young people and women, not only, nor mainly, as project beneficiaries, but as key decision-makers. Let their voice be heard. Listen to their ideas, regardless of whether you agree or disagree with them. Young people are an overwhelming source of dynamism and innovation that never dries up; women are guarantors of wise and balanced decision making and reliable administrators of resources in families, communities, villages, cities and enterprises worldwide. Have women and youth sit at the decision-making table, and it won't be long before you see a genuine, sustainable and innovative bottom-up development process blossom all over Mozambique, even where you least expected it.

7. Strengthen partnership building and policy dialogue to enhance sustainability and impact of this joint Mozambique-IFAD country programme. IFAD's resources are scarce and, regardless of how well they may be used, their direct impact is bound to be limited, unless they contribute to government's efforts in shaping effective and long-term ranging public policies. In this joint effort, strategic partnerships play a key role. All along the way from IFAD programme's alignment with Government policies, to coordination and integration with other donors' interventions, with particular attention to UN-RBAs, policy dialogue and partnership development are among the main pillars at the basis of any successful IFAD strategy in the world.

In conclusion, ladies and gentleman, let me thank whole-heartedly the Government of Mozambique, through the authorities that honoured us for their presence today, for hosting this knowledge exchange event, aimed to share with decision-makers and development agents the added value generated by this important evaluation process. As IFAD prioritizes efficiency, effectiveness and decentralization in a zero-growth administrative cost environment, and UN inter-agency cooperation, I am confident that this debate will generate important building blocks in the long-standing and promising cooperation between the Fund, the Government of Mozambique and their strategic development partners. As they rightly say, if you want to go fast, go alone; but if you want to go far, go together.

Muito obrigado pela atencao.