

The Swedish Consultancy Fund in Mozambique

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Department for Africa

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Sida Evaluation 00/36

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Table of Contents

List of tables

List of figures

Executive summary	1
I Background	5
1. Sweden's support to consultancy funds in program countries	5
2. The Swedish Consultancy Fund in Mozambique	6
II THE EVALUATION; METHODOLOGY	8
1. Reason for, scope and objective of evaluation	8
2. The assignment	9
3. Methodology	11
4. This report	13
III FINDINGS; PROJECT OUTCOMES	14
1. Profile of fund use	14
2. Compliance with formal and informal criteria	18
3. Implementation of the fund: Inputs and activities	29
4. OUTPUTS, EFFECTS AND IMPACTS	32
5 Case studies	36
IV TOWARDS A NEW, REVISED CONSULTANCY COOPERATION	38
1. The embassy's needs and wishes	38
2. Integrating KTS-type cooperation into the Consultancy Fund	39
3. Sida Rules and regulations	40
4. Administrative routines and responsibilities	41
5. Recent reforms of consultancy funds by other Swedish embassies	43
6. Proposed new agreement	44
V LESSONS LEARNED	50
VI RECOMMENDATIONS	50
 Annex 1 Case Studies	 51
Annex 2 Terms of Reference	59
Annex 3 Persons Interviewed	63

List of Tables

1. Allocation of person-days of assignment
2. *Logical Framework* matrix for the evaluation of the Swedish Consultancy Fund in Mozambique
3. Sweden's Consultancy Fund in Mozambique 1997–2000: General characteristics
4. Uses of funds
5. Initiative for Fund use
6. Objective of Fund use
7. Nationality of authors of studies, consultants, participants in conferences, and of students.
8. Formal requirements and informal criteria for Fund use
9. Relevance; appropriateness of Fund use
10. Unauthorized or inappropriate uses of funds

Figure

1. Goal Hierarchy of Inputs-Activities-Outputs-Effects-Impacts

Executive summary

The Swedish Consultancy Fund in Mozambique: Evaluation and Recommendations for an improved system. *A report commissioned by the Swedish International Development Cooperation Agency, Sida; by Karlis Goppers, January 2001.*

Background

The use of *Personnel and Consultancy* funds in Sweden's development cooperation started in the mid 1970s, and today there are funds in 19 countries. Their purpose is to enable recipient governments to raise the level of expertise and capacity by contracting short term consultants to perform studies, by recruiting foreign personnel for technical assistance, and by financing short term training . Usually the funds are small, but in a few countries they have reached a share of up to 10 or 20% of the country frame. Remarkably, the funds have never been evaluated, neither collectively, nor, to our knowledge, for any individual country.

Swedish support to the *Consultancy Fund in Mozambique* started in 1976, and has to date financed a volume of around SEK 250 million, making it one of the largest of all program countries. At its peak in the early 80s the fund reached over SEK 30 million annually. In 1992 a Swedish government report concluded that *"the consultancy fund has played a very important role for Mozambique's government ... It has also played an important role for Sweden's development cooperation..."*.

The main objectives of the Fund are *to facilitate planning, decision-making and follow-up activities related to development co-operation between the two countries, and to help strengthen administrative and technical capabilities in areas of relevance for the economic and social development of Mozambique*. A large variety of activities have been financed. The main stakeholders in the Fund are ministries and other governmental institutions, individual civil servants who benefit from study trips and courses, and the consultants that are contracted to perform studies or technical assistance.

The evaluation

The *reasons* for the evaluation are that Sweden's support to the consultancy fund in Mozambique has never before been evaluated, and that, because the administration of the fund has become increasingly burdensome, the embassy wishes to receive advice on how to simplify administrative procedures and – if possible – to revise existing guidelines and agreement. The *objective* is to assess the relevance and effectiveness of the present variety of activities within the fund, and make recommendations for a new revised system, including the drafting of a new agreement and new guidelines. The number of person-days of this assignment was 20.

Findings

Profile of Fund use

Four big *technical assistance* projects account for 60% of total fund use, while *studies*, which should traditionally be the main use, for only 19%. *"Other"* uses, account for 15%, *courses* and *International conferences* for 3% (but for 38% of the *number* of projects), and long term education for 3%. It is the recipient government, which has taken the *initiative* in most of the 45 different uses of the funds. However in the technical assistance projects the initiative in every case came from the Swedish Embassy.

Compliance with formal and informal criteria

In four cases the use of funds was found *not* to be accordance with the letter or the spirit of the agreement, and in another 10 cases it was found *doubtful*. Thus 14 out of 45 projects (corresponding to as much as 73% in terms of the amount of funds used) are questioned with respect to their legitimacy. In some cases this was because the *amount* was too big to fit the traditional concept of the fund, *or* that the *time period* of the activity was too long, even though there is nothing in the agreement forbidding such financing. Since the Consultancy Fund is meant to be a source of flexible and quickly accessible financing of urgent needs, we do not criticize the financing decision itself, but rather the fact that the Embassy has allowed two large projects (the *Statistics* twinning project and the program to build a national capacity in *macroeconomic analysis*) to remain under the Fund for several years without proceeding to “regularize” them. i.e. to let the competent department of Sida take over the projects.

The financing of long term education abroad can be seen as an unorthodox use of funds because it will take several years before the benefits can be put to practical use, and the consultancy funds are traditionally expected to be used for financing acute needs which can be remedied in the short term. The financing of SEK 8 million *Technical assistance to energy* was made referring to the principle that the Fund can be used in cases of “winding-down support”. However, the Consultancy Fund agreement contains no reference to such use of the Fund. The financing of *six computers* to the offices of MINEC must be ruled out for the simple reason that the agreement explicitly prohibits equipment to be financed. For the same reason we must disqualify the *institutional support to the Catholic University*.

The decision to finance the *Swedish culture week* in Maputo was justified on the grounds that Sweden has a cultural agreement with Mozambique. However, the contents of the culture week only had an indirect relationship to that cooperation, and the context had a lot to do with promotion of Swedish industry by way of exports and investments. The SEK 2 million support for *rescue helicopter missions*, following the floods caused by torrential rains in the spring of 2000, is by everyone seen as a very timely and worthy initiative on part of the Embassy. Nevertheless, this use of funds is not in accordance with the criteria as defined in the current agreement. The decision to support the *Swedish clinic* in Maputo is not only incompatible with the criteria in the agreement, but also in breach of the objectives of the fund.

Implementation of the fund

Few people in the Mozambican Government know about the existence of the Fund. This means that Minec’s knowledge about the need for useful courses in the many institutions of the Government is limited. The Embassy’s dialogue and coordination with the concerned Sida division seems in a few cases to have been limited. The project preparation phase on part of the Embassy has generally been strong. Usually the documents offered in support of each individual project decision are clear, and the decision memoranda are of adequate volume and depth. The *financial accounting* of the Consultancy Fund, by the Embassy as well as by the Sida head office, leaves much to be desired.

Outputs, effects and impact

Of the 11 projects over SEK 1 million (accounting together for about 80% of total funds) the evaluation found that for all except two or three, both output and effect/impact targets have been achieved or are likely to be achieved. In several of the cases, however, information available was so thin that the conclusions are very uncertain:

In the *Statistics twinning project*, which is a sound and relevant project, output targets seem to be accomplished according to plan. At effects and impact levels there is nothing suggesting that it would not be

possible to reach planned targets, even if it seems clear that it will take twice as long time than originally thought. The embassy relinquished the project supervision task to the Bank, which however, apparently has not lived up to its duties. *Rehabilitation of printing machines:* Before questions regarding the government's plans to invest in a new printing press line and sell the existing machines are answered, we are not able to judge the outcome of this project. We know that the output level has been attained, but not if it is yet complete. In the *Technical assistance to the National Demining Commission* the risks are great that the targets in terms of output and effects/impact will not be reached. But this is a very urgent project, which must be undertaken as a matter of life and death for parts of the population. One is therefore reluctant to conclude that this support was a bad decision on part of the Embassy. The *Lichinga transmission line feasibility study* is a relevant use of the Fund, and the outcome has been positive. The *Zambesi bridge feasibility study* has served its purpose after the study was expanded and improved following feedback comments provided by Sida. The *Study on road repair* was carried out according to plan, and was used as an input in the further decision-making regarding the rehabilitation of the Nyerere avenue. *Technical assistance in the Energy sector:* Given Swedpower's long and successful cooperation with EDM, there is reason to be optimistic that the output in this project, which started only in May 2000, will be delivered according to plan, and also that, subsequently, there may be a positive outcome both at the effects and impact levels. The *Rescue helicopter project* was an urgent life saving mission, which obviously had a different set objectives than development projects have. The missions were carried out according to plan, and there is no information available which would suggest that the allocated funds have not been well spent. The *Technical cooperation in the telecommunications sector* achieved its goals, and the Embassy is mainly satisfied with the project's outcome. In the *Institutional support to macroeconomic unit* in Ministry of Finance some of the objectives at the output, effect and impact levels were attained, while others were not. The relevance of the project is very high, while the sustainability, so far, must be judged to be low, given the fact that the project has not been successful in its capacity building efforts. The *Pre-feasibility and other studies* regarding provincial support are believed to have been completed according to plan and served their purpose in preparing the Swedish-funded regional program in Niassa.

Gender

The objective of promoting a more even *gender* balance cannot be said to be important in the Consultancy Fund. Of the 18 individuals who received financing from the Fund to attend a course or a conference there were 15 men and 3 women. Of the 10 consultancy studies 8 were carried out by a male consultant. On the other hand, of the three students receiving long term education abroad, financed by the Fund, all three were women. These skewed figures can not prove that the implementation of the Fund has been biased against women because we do not know if there were suitable female candidates available as alternatives to the men that were chosen.

Regarding the *sustainability* of the individual activities we can only have an opinion regarding a few of the bigger ones – commented above. As for the program as a whole, as long as the donor is willing to contribute the funds, there will in the foreseeable future be forthcoming worthwhile projects and there will be a government interested to participate.

Relevance

Most individual uses of the Consultancy Fund have been relevant with respect to general planning needs of the donor as well as the development needs of the recipient country. Regarding the relevance of the fund as such, we conclude that it is highly relevant, because the Embassy feels that it needs the flexibility of the Consultancy Fund, since this is something no other source of development funding can offer.

Towards a new, revised consultancy cooperation

There are today no Sida's rules preventing an embassy to shape the consultancy fund according to its own taste, as long as it respects the general principles of Swedish aid set out in the country strategy and the country plan, and also the general rules and regulations regarding administration. Broad criteria for consultancy funds, which delineate them from other aid programs, are the *size* – they are primarily meant for smaller projects, and the *length of time* – for short term uses.

Until today the rules and principles governing the use of the Swedish consultancy funds have, in most of Sida's program countries, undergone very little change in relation to the model which has reigned for the past 25 years. In a few of the countries the scope of sectors and purposes for which the funds can be used, have been narrowed down because the embassies felt that the funds had become an increasing administrative burden. But such a reform would seem to be a mixed blessing, for, by limiting its focus and concentrating it on "strategic" uses, inevitably one has then also lessened the flexibility of use, which the fund can offer. Compared to other embassies, the one in Namibia has changed its consultancy fund the most.

Proposed new agreement

The outline of a new, revised, agreement should be guided by two criteria – Maximum *flexibility* and *simplicity*. The *scope* of allowed sectors should be the widest possible. While the general orientation regarding uses should be in accordance with the country strategy, there is no need to formally exclude other areas. Freedom should also apply to *type of expenditure*. Both services and equipment should be allowed. Studies, conferences, courses and short term training and education, technical assistance projects (according to the KTS model and others), other (mainly smaller) projects, and equipment, none of those should be ruled out, the main criterion being that they are seen as urgent by the Embassy and the Government, and that no other financing appears to be readily available. A main characteristic of the fund is to be flexible, which implies a restriction on the size and the length of each individual activity to be financed.

Administrative responsibilities

Since the Embassy does not see it realistic to relinquish its control of the funds, the system must remain basically as it is today. However all responsibilities on the two sides (publicizing, administering, planning, coordinating, procuring, dialoguing/negotiating, reporting on part of Minec, and administering, procuring, disbursing, dialoguing and decision making on part of the embassy) must be stated clearly and distinctly in the agreement. That is not the case today.

The draft proposal submitted by this evaluation contains clear and distinct rules on all of the above aspects. The ambition has been to write the rules and regulations in a general way so that they will cover the requirements for all of the six activities allowed under the Fund. In addition, however, there may be a need for specific rules for some of them, e.g. KTS. This would be put in the Annex.

Lessons learned

- (1) A consultancy fund, if used properly and responsibly, can become an accepted and respected instrument, allowing the donor to intervene rapidly, with a minimum of bureaucracy, in short run support of activities deemed to be important and urgent by the donor and the recipient country;
- (2) A risk with keeping bigger projects in the Fund for a long time is that they will tend to be less actively followed up and possible also excluded from the regular dialogue between the government and the relevant Sida sector division.

Recommendation

The embassy should clear the proposal for a revised Consultancy Fund Agreement with Sida's legal department, then negotiate it with the Mozambican government with a view to replacing the current agreement with this new one.

I BACKGROUND

1. Sweden's support to consultancy funds in program countries

The use of so called *Personnel and Consultancy funds* in Sweden's development cooperation started in the mid 1970s in about half of Sweden's then 16 program countries. Subsequently more countries were added, and today there are such funds in 19 countries. The purpose of the funds has from the start been to enable recipient governments to raise the level of expertise and capacity of its administration by contracting short term consultants to perform studies, recruiting foreign personnel for technical assistance, and by financing short term training of government officials.

From the 1990s, in most countries, the funds have been comparatively small, representing only a few percent of the total country frame, but in a few countries, e.g. Botswana, Cap Verde Mozambique and Zambia, in some years, the funds have reached a share of up to 10 or 20% of the country frames. In some countries the funds were earlier quite large depending mainly on that they sometimes included also "regular" projects, and not just studies and short term training.

Sida directives

The current generation of consultancy funds are based on a Sida regulation issued in 1986 (*Riktlinjer för Personal- och konsultfonder*, dated 1986 06-27), which was meant to provide directives both for *personnel* as well as for *consultancy* funds. In an annex to these Regulations are given detailed instructions, with long checklists, on how each embassy should write its own consultancy fund programs. Among its many directives is one paragraph stipulating that a conceptual (Swedish = *idé-promemoria*) memorandum, as well as a decision memorandum must be prepared for each project, of over SEK 5 million, to be financed from the consultancy fund. This is a rule which is however not always followed.

The directives do not mention that the funds can be used to finance activities like the Swedish school or health clinics. Nevertheless this has happened in several countries. Currently, in a few Asian countries, part of the Embassy's operation is financed from the country frame through the consultancy fund. In Cambodia up until last year the entire operation of the office was financed that way. In Bangladesh one of the Embassy staff is financed full time from the CF. The same applies to two of the aid officers in the office in Laos. In India however the government refused to accept this kind of use of the consultancy fund.

Recent reforms

In recent years some embassies have started to limit the number of areas allowed for fund financing, apparently in response to an increasing administrative burden for the embassies. Zimbabwe, Zambia and Tanzania transformed, or at least changed the name of the consultancy fund to be called *strategic planning* fund. At an earlier stage the embassy in Tanzania had completely abolished the consultancy fund on the grounds that it was too loose in its structure, and with too many different projects. In Botswana it was changed to a sector support. A tendency in several African countries that has been observed is that it is increasingly the governments that take the initiative for the uses of the Swedish consultancy funds.

Most agreements still today follow closely the pattern set by the directives issued in 1986, even though Sida's present rules allow considerably more freedom for the embassies to shape the consultancy fund according to its own preferences. Only one country, Namibia, has reformed the purpose and content of the fund to any considerable degree, but, as will be argued in this report, there is

still room for considerably more reform, not only in terms of coverage and allowed areas, but also in terms of simplifying the administrative procedures of implementation.

Never evaluated

Even though the consultancy funds have been in existence in almost all of Sweden's program countries for over 20 years, remarkably enough, they have never been evaluated, neither collectively, nor, to our knowledge, for any individual country¹. The Sida directives issued in 1986 actually prescribe that *"apart from current follow-ups of the funds, major evaluations of the effects of the funds for the recipient countries must be undertaken"*.

The closest to an evaluation that has happened so far is a 17 pages long *pre-study* commissioned by the Sida evaluation department in 1993². This study has however, for some unknown reason disappeared not only from the lists and files of the Sida evaluation department, but in deed also from Sida's central archives. The pre-study, which was in the form of a desk-study, mainly presented a descriptive overview of the size and use of the funds, but also offered some general conclusions. Among them that

"the funds do not always get systematic attention, thereby risking to be unsystematically used to finance miscellaneous activities or being used for routine financing of activities that were introduced years ago", and "project documents in many cases provide little information on procedures regarding procurement, delegation of authority, reporting etc. This is so in particular with regard to the African countries", and

"The level of knowledge at Sida headquarters about the utilization of the funds is often low. Reporting and follow-up systems would need to be streamlined and strengthened." The overall conclusion of the study was however that *"The personnel and consultancy Funds are justified components in the cooperation programs in that they provide a flexible source of finance where ordinary project financing is not appropriate for one reason or other"*. For the future the study recommended that the specific purposes of each fund should be analyzed and established, and that attention would need to be paid to the procedures for handling the funds on the recipient side.

2. The Swedish Consultancy Fund in Mozambique

Swedish support to the Consultancy Fund in Mozambique started in 1976, and has to date financed a volume of around SEK 250 million, making it one of the largest of all program countries. At its peak in the late 1970s and early 80s the fund reached over SEK 30 million annually, corresponding to 14% of the country frame. At that time it was also used to finance regular projects to a larger extent than is the case today.

In 1982 Sida decided that the fund should be used only to finance a limited number of projects and studies. Some projects were then transferred to regular project financing, and some others were discontinued due to the deteriorating security situation. From 1984 through 1992 annual expenditures from the Fund decreased to app. SEK 6,5 million.

Assessment 1992

In an assessment of Sweden's development cooperation with Mozambique undertaken by the Swedish government in 1992 (*Swedish Government Public Studies, SOU 1992:124*) the authors conclude that *"the consultancy fund has played a very important role for Mozambique's government in the period 1976 to*

¹ Smaller reviews have been made in some countries on some occasions. One example is a 10 page report on the Fund in Zimbabwe prepared by two local consultants in December 1993.

² *"Evaluation of Personnel and consultancy Funds a Pre-study"*, 8th April 1993 by Swedish consultancy firm *a.s.k ab* (Anders Karlsson)

1982. It has also played an important role for Sweden's development cooperation since then by financing the production of appraisals and other needed studies for Swedish financed projects".

This report, however, also concluded that the administration of the Consultancy Fund (as opposed to the Personnel fund) had been a very heavy burden on the Swedish Embassy, that the role played by Mozambican authorities in managing the fund was very weak, and that the potential for weak government institutions to make proper use of a fund of this type is low.

The authors expressed skepticism regarding the role that Fund was playing:

"Today the fund is used for a large number of purposes in widely differing areas, possibly so wide that the fund is today a source of multi-purpose funding, rather than an instrument for planning and project preparation".

It can thus be observed that the viewpoint of this government report was quite different from the current view held by the Embassy staff, who want the fund to be maximally flexible so as to allow financing of the widest possible uses and purposes.

Purpose and activities financed

Even though the focus of the support has changed during the years, the main purpose of the Fund is still to function as a flexible instrument for financing consultancy services or studies. The present agreement, signed in February 1997 and prolonged in December 1999, stipulates that the Fund is to be used for consultancy and related activities, and for training of personnel from Mozambique. The *main objectives* of the Fund are to facilitate planning, decision-making and follow-up activities related to development co-operation between the two countries, and to help strengthen administrative and technical capabilities in areas of relevance for the economic and social development of Mozambique.

A large variety of activities have been financed within the present agreement. The support for building up capacity for economic policy advice at the Ministry of Planning and Finance is the single largest activity both in terms of cost and duration. Other larger projects are the strategic support to telecommunications (TDM), repairs and installments of printing machines to the newspaper "Noticias", and consultancy assistance to the National Mine Clearance Commission. Large feasibility studies have been financed for the Niassa regional development program, for a transmission line in Niassa, a bridge over the Zambesi river and rehabilitation of one of the main roads of Maputo. Altogether these larger projects/studies amount to about 22 million SEK out of a total of 38 million SEK. About 2 million SEK has been utilized for lesser activities, such as study trips, training and courses, seminars and congresses. The main stakeholders in the Fund are ministries and other governmental institutions, individual civil servants who benefit from study trips and courses, and the consultants that are contracted to perform studies and, in a few cases, technical assistance.

Personnel Fund

In Mozambique, as opposed to most other program countries, there were always two funds, each with its separate agreement between the governments – one *consultancy* fund and one *personnel* fund. Also the personnel fund started in 1976. Its objective, as stated in the agreement, was: *"In order to meet Mozambican requirements of expatriate personnel to serve in different fields essential to the development of Mozambique, Sweden shall make available resources for such expatriate personnel".*

It was thus used to finance the foreign exchange component of expatriate staff on direct contracts with the Mozambican government. The Swedish funds could only be used for personnel employed in the public sector, with the exception of military or police purposes. The overall salary level of

these expatriates, including the Swedish contribution, was not to exceed USD 300 per month. Recruitment and contracting was handled by the Mozambican government itself.

Also the volume of the personnel fund in Mozambique, at its peak, reached a level of over SEK 30 million annually. Altogether, in the period from 1976 through to the mid-90s over SEK 250 million were used, allowing the recruitment and financing of between 600 and 700 *cooperantes* (volunteers) *per year* until 1993. According to a Sida memorandum in 1994 the cost of a volunteer financed out of the Swedish personnel fund was only about 30% of the cost of a regular expatriate expert.

Also the Personnel Fund apparently had its share of unorthodox uses of funds. In 1994 the Swedish side suggested that SEK4,2 million from the personnel fund be used to cover an unsettled rental agreement for Swedish MONAP personnel signed in 1986.

The fund was evaluated jointly with NORAD in 1994. The evaluation mission in its report concluded that the personnel fund makes possible a very cost-efficient personnel assistance and recommended that the program be continued: *“Unlike most donor-funded Technical assistance, the fund operates largely through existing government structures and it is the government rather than the donor who is responsible for recruitment and administration. As staff recruited through the fund are not tied to the donor country, ...the recipient has direct control of funds.”*

II THE EVALUATION; METHODOLOGY

1. Reason for, scope and objective of evaluation

Reasons for evaluation

The two direct reasons for the evaluation are the following:

- (1) Sweden's support to the consultancy fund in Mozambique has never before been evaluated, and
- (2) Because the administration of the fund has become increasingly burdensome for the embassy, it wishes to receive advice on how to simplify administrative procedures and – if possible – to revise existing guidelines and agreement.

Scope and objective

The terms of reference for this evaluation specifies that it should assess *“the relevance and effectiveness of the present variety of activities within the Fund. It will constitute an important input for designing new guidelines and an agreement for the Fund.”*

The report shall be divided into two parts:

- *one which draws conclusions and lessons learned from the experience of the past agreement(s), and*
- *one which includes draft proposals for a new agreement and new guidelines for the continuation of the support. The consultant shall make recommendations on activities as well as reporting, disbursements, implementation and monitoring procedures.*

An important part of the assignment is that the consultant shall propose if and how the Fund can be extended to include also so called *Contract-financed Technical Assistance* (KTS). The motivation for

including KTS must be clear from the report, as well as recommendations on administrative procedures for implementation and monitoring KTS. The study will be conducted in close co-operation with the Ministry of Foreign Affairs and Co-operation, the Embassy of Sweden in Maputo, the Ministry of Planning and Finance, and the Sida headquarters (notably UTV, POLICY and AFRA).

Issues

The study shall assess the extent to which the activities within the Fund have fulfilled the objectives that are stipulated in the Specific Agreement and the Guidelines, and analyze the concept and design of the Fund, as well as the relevance of the objectives and activities of the present guidelines and agreement. Further, the efficiency of present Fund administrative procedures, including reporting, disbursement and other implementing procedures shall be assessed. The program's *cost-effectiveness* and its *sustainability* shall be analyzed. Administration costs both on the Swedish as well as the Mozambican sides should be taken into account.

The respective roles of Sida, the Embassy of Sweden and the Ministry of Foreign Affairs and Co-operation shall be assessed. Would different administrative procedures increase the efficiency and impact of the Fund? The consultant should also assess whether the administrative procedures are effective for promoting a transparent and non-corruptive behavior, and investigate some activities in order to assess their quality and administrative costs. It is important to mention the extent to which women have benefited and how. Based on the analysis the consultant shall draw conclusions regarding the need for a Consultancy Fund in the future. If so, which activities should be supported? What are the operational and the strategically lessons learned from the past support? How should the future support be most effectively designed?

2. The assignment

The number of person-days of this assignment are 20, which were allocated approximately as shown in table 1.

Table 1: Allocation of person-days of assignment

Activity	Number of person-days
Review of Sida archives in Stockholm	2
Interviews with Sida's Regional Divisions regarding objectives and structure of, and experiences from consultancy funds in all of Sida's 20 program countries	2
Field interviews in Mozambique	3
Review of project files at Swedish Embassy in Maputo	3
Interviews with Embassy personnel	2
Additional interviews in Sida headquarters Stockholm	2
Report writing	6
TOTAL	20

As the table shows, as many as six of the total 20 days had to be spent interviewing Sida officers and studying the files in Sida headquarters, leaving only 8 working days for the field part of the evaluation. Of the days in the field, most of the time was spent in the Embassy studying archives and interviewing the personnel, leaving only three full days for field interviews.

Review of archives and headquarter interviews

Compared to many other evaluations the share of time spent on archive studies and headquarter interviews in this evaluation is high. There are two reasons for this:

Firstly, since the project to be evaluated consists of a large amount of small “sub-projects”, mostly studies, conferences etc, a large part of the fact finding must be done through documents rather than site visits.

Secondly, and more importantly, a very large part of the assignment consists of designing and recommending a new revised system for consultancy funds in Mozambique. This means that thorough interviews must be conducted with all people concerned, in order to be able to design a system, which will not only correspond to the wishes of the client, but also be in accordance with Sida’s rules and regulations. Thus interviews had to be conducted not only with most of the officers of the embassy, but also with representatives of several concerned Sida departments, including the legal department.

Coverage: previous and current consultancy funds

The assignment concerns the evaluation of the Consultancy Fund as an aid form, and the client wishes to be able to draw general conclusions regarding its effects, its strengths and its weaknesses. The terms of reference does not specify whether or not the evaluation should specifically look also at the previous fund (1994–96), or only the current fund 1997–2000, a choice which is thus left to the consultant. In making this choice I have been guided by which of the alternatives would provide the best material for analysis and for drawing conclusions.

Including both funds, there would be 95 sub-projects to study, while looking only at the current fund would give 45 sub-projects. In the former alternative there would, however, be very little time available to study each individual sub-project. The question therefore had to be posed whether the extra 50 projects from the old fund would provide additional information valuable enough to outweigh the disadvantage of having less time to study the individual projects. After reviewing the available documentation of the 1994–96 fund I decided to choose the second alternative, that is to study only the current fund, for the following reasons:

- The documentation available for the old fund is much more limited and seemingly of lesser quality than for the current fund. Of the 50 different uses of the old fund even the decision document itself could only be found for 35 of the sub-projects.
- Of the 50 decisions only 10 were projects whose responsible embassy officer was still in the country.

Furthermore, looking at the *type* of projects, I found that the pattern of the previous fund in no obvious way differed from the current one. Besides the usual studies, conferences, and different kinds of institutional supports there was only one large project, namely the SEK 14 million support to the Government’s statistical office INE. Of the remaining there was one amounting to SEK 650,000, four in the SEK 500,000 range and five around SEK 300,000. The rest of the projects were of smaller amounts.

There would thus be little advantages of including the old fund in the evaluation, but many disadvantages. Given the client’s emphasis on this being a forward-looking evaluation I opted for looking explicitly at only the sub-projects belonging to the current fund in this evaluation. There is however one exception: Because of its dominant size and also for the controversy that surrounds it, I decided to include the SEK 14 million statistics project in the analysis along with the subprojects of the current fund.

3. Methodology

The evaluation of the performance of the Consultancy Fund will be performed based on an analysis of the structure of targets and objectives – explicit as well as implicit – of the consultancy fund program. To this end we have constructed a *goal hierarchy of means and ends* of the program, showing all targets at five levels, namely *inputs*, *activities*, *outputs*, *effects* and *impacts*. That information has then been merged with an assessments of theoretical and practical indicators of outcomes at the different levels of the goal hierarchy in a *Logical framework Matrix*.

The goal hierarchy of means and ends, and the Logical framework matrix together constitute the basis for the methodology applied in this evaluation.

Figure 1: Goal Hierarchy of Inputs-Activities-Outputs-Effects-Impacts

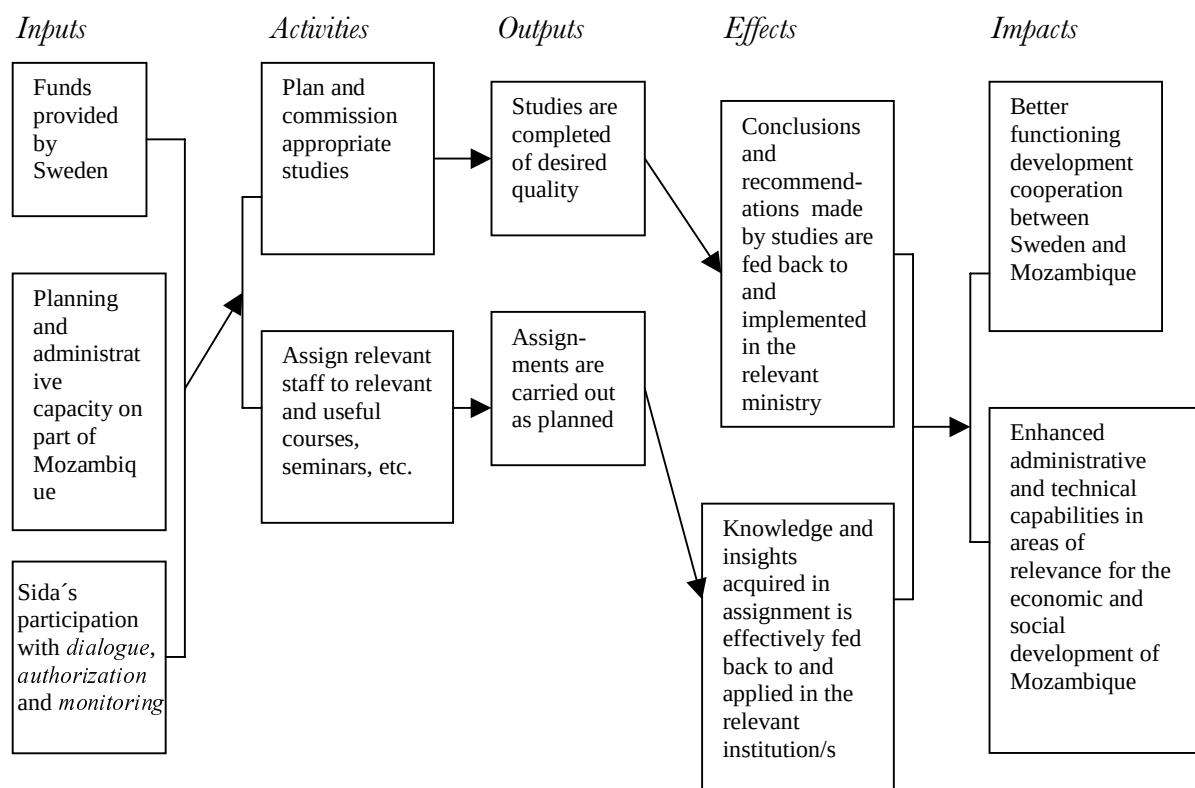


Table 2: Logical framework matrix for the evaluation of Swedish consultancy funds in Mozambique

Level of goal hierarchy	Target	(Theoretical) Indicators of goal fulfillment	Information Practically available to this evaluation
Inputs	Funds provided by Sweden	Disbursement records; financial statements	Yes
	Planning and administrative capacity on part of Mozambique	Documentation on government Organization and administration. Interviews	No written documentation was available. Information was gathered through interviews
	Sida's participation with dialogue, authorization and monitoring	Documentation on Sida's and Embassy's organization and work plans. Interviews	Yes
Activities	<i>Swedish Embassy:</i> - Plan for appropriate uses of funds - Dialogue with and conduct planning meetings with Minec - Commission and procure consultants for studies and other uses of the funds. - Follow up and report on the outcomes at output, effect and impact level of each use of fund	Planning lists regarding uses of funds in government and at Sida. Minutes from meetings	None available from Government
	<i>Ministry of Foreign Affairs and cooperation:</i> - Publicize the existence of Swedish CF - Collect proposals for uses of the funds - Plan and coordinate proposals - Assign relevant staff to relevant and useful courses, seminars, etc. - Maintain up-to-date planning lists - Ensure adequate documentation regarding each use of funds - Liaise with the Swedish Embassy	Planning lists regarding uses of funds in government and at Sida. Minutes from meetings	None available from Government
Outputs	Studies are completed of desired quality	Evaluative summaries or comments on part of responsible Embassy officer and/or concerned Government official	Available only from the Embassy and on an unsystematic basis, and only for about half a dozen of all projects
	Assignments are carried out as planned	Completion reports from participants. Grades and certificates from Universities and organizers of courses and workshops	Hardly any written information available. For a few selected projects comments were provided by the embassy staff. Some information came from interviews with a small sample of projects
Effects	Conclusions and recommendations made by studies are fed back to and implemented in the relevant ministry	Completion reports from the respective ministries accounting for effects. Evaluative comments and conclusions from consultants, and from Embassy officers	With a few exceptions, no documentation available. On some of the major projects some info could be gathered from interviews.

	Knowledge and insights acquired in courses and other assignments is effectively fed back to and applied in the relevant institution/s	Completion reports from the respective ministries accounting for effects. Evaluative comments and conclusions from participants, and from Embassy officers	With a few exceptions, no documentation available On some of the major projects some Information could be gathered from interviews.
Impacts	Better functioning development cooperation between Sweden and Mozambique	Reports from the respective ministries accounting for possible or potential impact. Evaluative comments and conclusions from consultants, and from Embassy officers	With a few exceptions, no documentation available On some of the major projects some Information could be gathered from interviews.
	Enhanced administrative and technical capabilities in areas of relevance for the economic and social development of Mozambique	Reports from the respective ministries accounting for possible or potential impact. Evaluative comments and conclusions from consultants, and from Embassy officers	With a few exceptions, no documentation available On some of the major projects some Information could be gathered from interviews.

4. This report

The report is structured in the usual way – conforming with the format prescribed by Sida’s evaluation department: Chapter I outlines the consultancy fund programs in Sweden’s program countries, and gives a background to the Consultancy Fund cooperation in Mozambique. Chapter II accounts for the evaluation assignment and for the methodology applied. Chapter III, which is the main one, presents all findings regarding the evaluation of past consultancy fund cooperation in Mozambique. Chapter IV contains a discussion on how to shape a future consultancy fund cooperation, and ends with a draft proposal for a complete new and revised agreement, as well as hints to changed guidelines. Chapter V lists the Lessons learned that can be extracted from this evaluation, and Chapter VI, finally, presents the recommendation for the embassy to introduce a new and revised consultancy fund cooperation.

III FINDINGS; PROJECT OUTCOMES

1. Profile of fund use

In table 3, below, are given the main characteristics of the 45 individual uses of the Swedish Consultancy Fund in Mozambique 1997–2000. The table contains the following information:

Category: What type of activity has the fund financed?

<i>Study</i>	Study, evaluation, appraisal or other report
<i>Conf</i>	Conference, course, workshop or seminar
<i>Educ</i>	Financing of graduate studies or other long term education
<i>TA</i>	Technical Assistance
<i>O</i>	Other

Initiative: Who took the initiative to finance the activity from the consultancy Fund?

<i>Sw</i>	Swedish Embassy/Sida
<i>Moz</i>	Mozambique Government
<i>O</i>	Other

Objective: What was the objective of the use of funds? To what program or sector is it related?

<i>Sw</i>	Facilitate planning, decision-making and follow-up activities related to development cooperation between Mozambique and Sweden
<i>Moz</i>	Help strengthen administrative and technical capabilities in areas of relevance for the economic and social development of Mozambique
<i>O</i>	Other

Nationality of Consultant/Participant: What was the nationality of the consultant carrying out the study or being involved in the technical assistance, respectively of the person participating in the conference or education?

<i>MozG</i>	A person from the Mozambican Government
<i>Moz</i>	Other Mozambican
<i>Sw</i>	Swedish
<i>O</i>	Other national

Compliance with Fund rules: Was the activity in accordance with formal and informal objectives and criteria of the Fund?

<i>Yes</i>	The activity financed is clearly according to the criteria agreed
<i>No</i>	The activity financed is <i>not</i> according to the criteria agreed
<i>Doubt</i>	There is some doubt regarding compliance with agreed criteria

Table 3: Sweden's Consultancy fund in Mozambique 1997–2000: General characteristics

1 "Project" (item financed)	2 Amount 1000 SEK	3 Cate- gory	4 Initi- ative ³	5 Objec- tive	6 Nationality of Consul- tant/ Participant	7 Compli- ance with Fund rules
1. SADC Council of Ministers	665	o	Moz	Moz	MozG	doubt
2. Micro-finance course	24	conf	Moz	Sw	MozG	yes
3. Repair printing machines	1,200	o	Moz	o	Sw	yes
4. Harvard course on tax analysis	150	conf	Moz	Moz	MozG	yes
5. Swedish culture week	300	o	Sw	o	Sw	doubt
6. Mine clearance	1,050	o	o	Sw	o	yes
7. Airfare BITS course	8	conf	Moz	Sw	Moz	yes
8. Energy feasibility study	900	study	Sw	Sw	Sw	yes
9. Harvard course on Foreign aid management	100	conf	Moz	Moz	Moz	yes
10. Financial management Study	150	study	Moz	Sw	Sw	yes
11. Travel cost BITS course	18	Conf	Moz	Moz	Moz	yes
12. Travel cost BITS course	9	conf	Moz	Moz	Moz	yes
13. Ph.D. studies in Agr. economics	470	educ	Moz	Moz	Moz	doubt
14. Internal consultancy Moz. government	9	o	Moz	Moz	Moz	doubt
15. Travel cost BITS course	10	conf	Moz	Moz	Moz	yes
16. Masters course	80	conf	Moz	Moz	Moz	doubt
17. Elaboration of t.o.r. Zambesi Valley	102	study	Moz	Moz	Sw	yes
18. Feasibility study Zambesi River	1,600	study	Moz	Sw	Sw	yes
19. Privatization workshop	90	conf	Moz	Moz	Moz	yes
20. Study on road repair	1,500	study	Moz	o	Sw	doubt
21. Gender course in Brazil	45	study	Moz	Moz	Moz	yes
22. Technical assistance Energy: TA (KTS)	8.000	TA	Sw	Swe	Swe	doubt
23. Rescue helicopter missions	2.000	O	Moz	Moz	o	no
24. Purchase of six computers	150	o	Moz	Moz	Moz	no
25. Travel costs BITS course	18	conf	Moz	Moz	Moz	yes
26. Travel costs BITS course	16	conf	Moz	Moz	Moz	yes
27. Institutional support Catholic University	850	o	o	Swe	Moz	no
(28. Masters course in UK Human resources) ⁴	300	educ	Moz	Moz	Moz	doubt
29. Masters course in UK Development	220	educ	Moz	Moz	Moz	doubt
30. Evaluation of Sw consultancy funds in Moz	200	study	Swe	Swe	Swe	yes
31. Travel costs for negotiations in Sweden	50	o	Moz	Moz	Moz	yes
32. Technical cooperation telecom: TA (KTS)	3,000	TA	Swe	Swe	Swe	yes
33. Debt strategy for Mozambique	260	study	Moz	Swe	o	yes
34. Institutional support to macroecon. Unit: TA	11,400	TA	Swe	Moz	Swe; o	no
35. Pre-feasibility Provincial support	2,799	study	Swe	Swe	Swe	yes
36. Conference of SADC audit institutions	75	o	Moz	Moz	Moz, o	yes
37. Research article on Humanitarian aid	38	study	o	Moz	o	yes
38. Travel costs for institutional cooperation	70	o	o	Moz	Swe	yes
39. Swedish clinic	380	o	Swe	o	Swe	no
40. Travel costs for Seed production course	14	conf	Moz	Moz	Moz	yes
41. Workshop on Aid management, two pers.	320	conf	Moz	Moz	Moz	yes
42. Workshop on public sector budgeting	150	conf	Moz	Moz	Moz	yes
43. SOAS Economic policy seminar in Maputo	105	conf	o	Moz	Moz	yes
44. Travel costs for seminar in Sweden	32	conf	Swe	Moz	Moz	yes
45. Travel costs for seminar in Sweden	16	conf	Moz	Moz	Moz	yes
Total, approximately	38,943⁵					

³ From a formal standpoint, all uses of funds are at the initiative of the Mozambican government since it formally forwards a request for the use of funds to the Swedish Embassy. In practice, however, it is possible to see that in some cases the actual initiative emanated from somewhere else.

⁴ This sub-project was never implemented.

⁵ All amounts used in this table, except for item 35, are derived directly from the respective decision documents. A computer report derived from Sida's accounting system PLUS gives a total of SEK 38,160,000 instead of the 38,943 of this table. It was not possible to investigate the reason for this discrepancy.

From the information contained in table 3 we can extract the following characteristics of the consultancy funds:

Categories of uses of funds

Given the objectives of the fund and also looking at the actual purposes for which the funds have been used, it seems natural to divide the uses into the five categories *studies*, *conferences*, *education*, *technical assistance* and “*other*”. The relative distribution among the different categories is shown in the following table.

Table 4: Uses of funds

Category	Number of projects	Amount	% of total funds
Studies	9	7,549,000	19
Courses, conferences, workshops, seminars	17	1,125,000	3
Education	4	1,070,000	3
Technical Assistance	4	23,450,000	60
Other	11	5,749,000	15
Total	45	38,943,000	100

The largest category, accounting for an overwhelming 60% of total fund use, but consisting of only four big projects, is *Technical Assistance*.

Second is *studies*. According to the agreement, as well as according to tradition, the use of a consultancy fund should mainly be for *studies*, and it is therefore remarkable that this category accounts for only 19% of the total funds used.

Third is “*other*” uses, accounting for 15% of all funds. This category contains the following list of 11 very mixed activities:

- Conference of the SADC Council of Ministers
- Repair of printing machines
- Swedish culture week in Maputo
- Internal consultancy in the Mozambican government
- Rescue helicopter missions
- Purchase of six computers
- Institutional support to the Catholic University
- Travel costs for negotiations in Sweden
- Conference of SADC audit institutions
- Travel costs for institutional cooperation
- Running costs of the Swedish clinic in Maputo

Courses and *International conferences* account for 3% of the total use of funds – although for 38% of the *number* of projects. The low share of the total amount of funds used is in keeping with Article four of the agreement, which says that the Fund may be used only “*to a limited extent*” to finance Mozambican participation in international conferences. Also the category long term education accounts for 3% of total funds used.

Initiative for use of consultancy funds

The following table shows which partner in development is the one that took the initiative to bring about the different projects to be financed under the consultancy funds.

Table 5: Initiative for fund use

Category of fund use	Initiative taken by Swedish Embassy or Sida	Initiative taken by other Swedish party	Initiative taken by Government of Moz.	Initiative taken by other Moz. party	Initiative taken by multi-lateral agency	Total
Studies	3	1	5			9
Course, conferences, workshops, seminars	1		15		1 (SOAS)	17
Education			4			4
Technical Assistance	3			1		4
Other	2	1	7		1	11
Total	9	2	31	1	2	45

As one would expect from a program belonging to the Sida country frame, it is the recipient government which has taken the initiative in a majority of the 45 different uses of the funds. With respect to conferences and education it is exclusively the government which plans and proposes how the funds should be used.

When it comes to studies it is thought to be common that the Embassies see the consultancy funds as their funds to use for studies *it* considers urgent. Therefore it is somewhat surprising that the Embassy, according to our information, took the initiative in only 3 out of 9 cases.

With respect to the four large technical assistance projects – together accounting for over 60% of total funds – the initiative in every case seems to have come from the Swedish Embassy.

Objective of fund use

The next table shows the number of projects from the different categories that were aimed at the two main objectives that govern the consultancy funds.

Table 6: Objective of fund use

Category of fund use	<i>Facilitate planning, decision-making and follow-up activities related to development cooperation between Mozambique and Sweden</i>	<i>Help strengthen administrative and technical capabilities in areas of relevance for the economic and social development of Mozambique</i>	Other purposes	Total
Studies	6	2	1	9
Courses, conferences, workshops	2	15		17
Education		4		4
Technical Assistance	3	1		4
Other	1	7	3	11
Total	12	29	4	45

We find that all except 4 of the Fund uses have been for one of the two objectives given in the agreement, namely that the Consultancy Fund should be used so as to

Facilitate planning, decision-making and follow-up activities related to development cooperation between Mozambique and Sweden, or to

Help strengthen administrative and technical capabilities in areas of relevance for the economic and social development of Mozambique

Even though the second objective is very wide, the results still show that the uses of the funds have been made in a responsible manner.

Nationality of “immediate beneficiary” of fund use

Table 7 shows the nationalities of the consultants who were contracted to carry out the studies and perform technical assistance, respectively of the persons that attended conferences and courses, and long term education abroad.

Table 7 : Nationality of Authors of studies; consultants; participants in conferences; and of students.

Category of fund use	Swedish	Mozambican	Other nationals	Total
Studies	7		2	9
Courses, conferences, workshops		17		17
Education		4		4
Technical Assistance	3		1	4
Other	3,5	5,5	2	11
Total	13,5	26,5	5	45

Just as one would expect we find that studies and technical assistance financed from the consultancy funds were carried out by Swedish or other nationals than Mozambicans, while the persons participating in the conferences, workshop, and education financed by the fund, were Mozambican.

2. Compliance with formal and informal criteria

Formal requirements

The agreement on the Swedish Consultancy Fund, signed by the Swedish and Mozambican governments, states that:

*“The main **objectives** of the Fund are to facilitate planning, decision-making and follow-up activities related to the development cooperation between the two countries, and to help strengthen administrative and technical capabilities in areas of relevance for the economic and social development of Mozambique”, (Article I).*

The *scope* for which the Fund may be utilized is specified in Article I as follows:

Firstly: *“The Fund is to be used for consultancy and related activities, and for training of personnel from Mozambique”.* In Article IV the same sentence is sharpened and narrowed down to read *“The Swedish contribution may be used only for consultancy services and, to a limited extent, to finance Mozambican participation in international conferences as agreed between the parties”*

Secondly: *“The Swedish funds may **not** be used for any type of investment or procurement”*⁶

Informal criteria

Apart from the above *formal* restrictions with respect to Fund use, there are also other factors, not mentioned in the agreement, which may make certain uses of the Fund *inappropriate*, namely *size* and *time profile* (and character) of the proposed expenditure. Support to an activity which is long

⁶ It would seem that there is an error in language in this sentence, namely that the two words “*of equipment*” have been left out at the end of the sentence. Otherwise this sentence would be incomprehensible, for *procurement* is of course carried out regarding services just as well as of goods and equipment.

term in nature, and which is built up in stages of development, could be inappropriate to finance out of the consultancy fund for the following reasons:

Firstly, the **size** of project: The bigger a project is the more important is it that its objectives and its relevance be analyzed and subjected not only to a proper project preparation procedure, but also to a responsible monitoring and follow-up during all its life and also after. For reasons of organization, administrative rules as well as the divisions of responsibility within Sida, there is not the same possibility to bestow a thorough and regular “project treatment” upon projects financed under the consultancy fund.

Secondly, there is the **time** factor. When an activity is long term because it needs to be developed in natural stages, then we, almost by definition, have a traditional development “project”, and for reasons just alluded to, it is not possible to prepare, manage, monitor and follow-up projects as consistently under the Consultancy Fund as in regular development cooperation.

For those reasons we have in this evaluation judged it to be inappropriate, or questionable to finance very large activities, which last for many years, from the consultancy fund, even though there is nothing in the agreement forbidding such financing.

Keeping several big projects for many years under consultancy fund financing could be seen as *not* compatible with the Fund’s desired character of a funding source that is quick, accessible and flexible. For it would then increasingly be viewed as a regular source of financing, and there would be less disposition to use the Fund in a flexible and quick way.

Moreover, simple arithmetic tells us that the more big projects there are absorbing funds over many years, the less funds, obviously will be left to finance the many small, quick and urgent needs, which may come up.

It is in this context interesting to note that many people believe that the Fund cannot be used for larger, long term activities, which perhaps goes to confirm the generally perceived tradition of consultancy funds to be intended for financing small and short term activities.

In several of the cases discussed below the appropriateness of a financing decision has been called in question *either* because the amount decided has been too big to fit the traditional concept of the consultancy fund being meant for smaller, flexible short term financing, *or* that the time period of the activity to be financed is too long to be called short term financing.

Schematically we could show the situation as in table 8. In the respective fields have been noted those uses of the consultancy fund which, in the opinion of this evaluation, can be questioned for various reasons.

Table 8: Formal requirements and informal criteria for fund use

	Informal criteria (requirements not mentioned in the agreement)	
Formal requirements of Fund	Small size; short term	Large size; long term
<i>The Fund is used for consultancy and related activities, and for training of personnel from Mozambique with the purpose to facilitate planning, decision-making and follow-up activities related to the development cooperation between the two countries, as well as to help strengthen administrative and technical capabilities in areas of relevance for the economic and social development of Mozambique</i>	Allowed area	- Masters course - Ph.D. studies in Agr. economics - Masters course in UK (Human resources) - Masters course in UK (Development) - Technical assistance Energy - Institutional support to macro-economic unit
Other purposes and criteria	- SADC Council of Ministers - Swedish culture week - Study on road repair - Rescue helicopter missions - Swedish clinic	
Financing of investment or equipment	- Purchase of six computers - Institutional support Catholic University	

Project number 14 *Internal consultancy Mozambique Government* is questioned for its cost level, and does not fit into any of the fields of the table.

Judged strictly against the text of the written agreement

In some of the cases the judgement on whether a particular use of fund was legitimate is seen strictly against the principles and objectives stated *explicitly* in the agreement that has been signed. It does not imply that the project in itself is necessarily bad. Only that it is not judged to be in accordance with the letter of the agreement.

This is underscored by the fact that the Embassy could – had it been aware of a potential breach of agreement – in each of those cases have changed the rules of the game through a simple exchange of letters with MINEC, thereby agreeing to allow for that type of expenditure in question.

Latitude of decisions

Even though this is not stated in the agreement itself, everyone concerned agrees that the consultancy fund is meant to be a source of flexible and quickly accessible financing of urgent needs.

This means that one must be prepared to accept a large measure of latitude for the decision maker in using the fund. For instance long term activities like the statistics twinning arrangement and the macroeconomic advisory unit, which do not seem to be appropriate for consultancy fund financing, mainly because of their long term nature, received their financing because the Embassy at the time made the judgement that this was an urgent task, for which there was no other appropriate financing available within a reasonable time. If we thus accept the notion that the fund is to be an effective financing tool to use in urgent circumstances, we should not really be concerned with criticizing the decision itself. For we can accept that the Embassy chose the best option available at the time.

From this point of view it would be more relevant to criticize the fact that the embassy has allowed the two projects to remain under the consultancy funds for so many years without proceeding to “regularize” them. The purpose of regularization would be mainly to let the competent department

of the Sida headquarters, namely the division for democratic governance, take over the projects in order to subject them to more regular professional follow-up.

It could conceivably have been made in either of two ways. Either the Embassy could have taken the projects off from Consultancy Fund financing and created a regular project financing for them, *or* the projects could stay on Consultancy Fund financing, but the division of *Democratic Governance*, which is the competent Sida department, would assume responsibility for managing and monitoring the projects.

Allowed uses grouped by main categories

Table 9, below, shows the number of cases, by *category* of Fund use, where the use of the Consultancy Fund – in the opinion of this evaluator – was either incorrect or inappropriate, or where the appropriateness could be put in doubt.

Table 9: Relevance; appropriateness of fund use

Category of fund use	Yes	No	Doubtful	Total
Studies	8		1	9
Courses, conferences, workshops	17			17
Education			4	4
Technical Assistance	2		2	4
Other	4	4	3	11
Total	31	4	10	45

Overall, we find that in four cases the purpose of the use of funds was *not* in accordance with the criteria set forth in the agreement, and in another 10 cases it is *doubtful* whether the use of funds can be said to have been in accordance with the letter or the spirit of the agreement.

This would seem to be a strikingly high share of failures: 14 out of 45, or 30%, of projects questioned with respect to the legitimacy, and – even more alarming – 26 out of 36 million SEK, or 73% in terms of the amount of funds used.

Looking at the different categories we find that, of the 9 studies carried out, doubts can be raised about one with respect to how well it conforms to the criteria for legitimate use of funds.

All 17 decisions to finance the participation of a Mozambican government official in an international course, seminar or conference have been correct in so far that the objective and contents of the course or conference was in accordance with the objective *“to help strengthen the country’s administrative and technical capability in the area of relevance for the economic and social development of Mozambique”*.

As for the four decisions to finance scholarships for long term graduate studies abroad, they are definitely aimed at the objective of *strengthening the country’s administrative and technical capability in the area of relevance for the economic and social development*, but could be questioned for their large size and their long term nature.

Of the four technical assistance projects financed by the consultancy funds this evaluation raises questions regarding two of them.

Of the 11 projects in the category “other” uses only five were deemed to be entirely appropriate for consultancy fund financing. Three were deemed inappropriate, and in four cases doubt can be raised regarding their appropriateness.

The individual projects

Table 10 lists the 14 projects that were deemed not to be in accordance with either formal or informal requirements of the fund.

Table 10: Unauthorized or inappropriate uses of funds

1 "Project" (item financed)	2 Amount 1000 SEK	3 Cate- gory	4 Initi- ative	5 Objec- tive	6 Nationa- lity of Consul- tant/ Par- ticipant	7 Rele- vance
1. SADC Council of Ministers	665	o	Moz	Moz	MozG	doubt
5. Swedish culture week	300	o	Sw	o	Sw	doubt
13. Ph.D. studies in Agr. economics	470	Educ	Moz	Moz	Moz	doubt
14. Internal consultancy Moz. government	9	o	Moz	Moz	Moz	doubt
16. Masters course	80	Educ	Moz	Moz	Moz	doubt
20. Study on road repair	1,500	study	Moz	o	Swe	Doubt
22. Technical assistance Energy TA (KTS)	8,000	TA	Swe	Swe	Swe	doubt
23. Rescue helicopter missions	2,000	o	Moz	Moz	o	no
24. Purchase of six computers	150	o	Moz	Moz	Moz	no
27. Institutional support Catholic University	850	o	o	Swe	Moz	no
(28. Masters course in UK Human resources)	300	Educ	Moz	Moz	Moz	doubt
29. Masters course in UK Development	220	Educ	Moz	Moz	Moz	doubt
34. Institutional support to macroecon. unit	11,400	TA	Swe	Moz	Swe; o	no
39. Swedish clinic	380	o	Swe	o	Swe	no
Total, approximately	26,324,000					

In addition to the above 14 projects we will also discuss below the SEK 14 million Statistics technical assistance project from the previous consultancy fund, which is the only one from the previous fund amounting to more than SEK 1 million.

Looking at the individual projects the following comments can be made.

Studies

SEK 1,5 million were used to finance an engineering study, carried out by the Swedish firm SWECO, regarding the proposed rehabilitation of the Julius Nyerere Avenue in central Maputo. While I share the Embassy's judgement that this was an urgent and important task, it can however not be said to be in conformity with any reasonable interpretation of the criterion *"to help strengthen the country's administrative and technical capability in the area of relevance for the economic and social development of Mozambique"*. With the criteria specified in the current agreement we must therefore conclude that it was questionable from a formal point of view to use the consultancy fund to finance this study.

Courses, conferences, seminars

As was concluded above none of the courses or conferences financed out of the consultancy fund were of a nature such as to call in question the relevance of using the consultancy fund.

Financing of long term education abroad

This is an unorthodox use of funds because the consultancy funds are traditionally expected to be used for financing short term activities, i.e. where acute needs in the government can be remedied in the short term by accessing consultancy funds, which normally do not require any lengthy handling or project preparation. In the case of long term education it will take several years before the benefits can be put to practical use for the government. Also, one could argue that the benefits of

graduate studies are *general* in the sense that they will raise the country's educational standards in the long run, but would normally not be geared towards *directly* addressing a concrete or specific need that the government may face.

Bonded contracts

The students receiving financing from the Consultancy Fund for long term education abroad are always people from the ministries, who are definitely expected to use their knowledge in their jobs. Nevertheless there is the problem that – in the absence of bonded contracts – there is little guarantee that the education will benefit the ministry whose need the education was supposed to remedy, or in deed that it will benefit any ministry of the government. For if the student has not signed a contract obliging him or her to return to the old job and spend at least a certain time there, then – as the experience from many countries shows – there will be a big risk that the student will become part of the brain drain, i.e. he or she will stay on abroad.

Another possibility is that the student will return in order to join the private sector, in which case the investment in his education from the governments point of view could be judged to be less fruitful, although *not* a waste in *cost benefit* terms for the national economy.

As for the risk of corruption in the sense that applicants with family or other connections to high officials will be favored, there is no reason to assume that the risk associated with long term studies would be any bigger than in the case of conferences and shorter courses. But the mere size difference in cost – SEK 400,000 as compared to an average of SEK 30,000 for a conference, of course makes the former type of financing more serious also in terms of corruption risk.

Technical assistance projects

The Statistics twinning project at the Ministry of Finance (From the first fund)

This is a technical assistance program, conceived and created in 1996 by the local World Bank office, aiming at building up the capacity of the Government's National Institute of Statistics (INE). The services of the Swedish State consultancy firm *Statistics Sweden* (SCB) were procured by the World Bank, and SCB has a frame agreement with INE for 5 years 1998–2002. Based on this each year a contract showing the targets and tasks and remuneration for that year is signed. The size of the program is about US\$ 3 million, of which the WB has contributed US\$ 1 million and Sida US\$ 2 million (SEK 14 million) to a trust fund held by the Bank. The payments system is such that the Bank pays to INE and INE pays to SCB based on its invoices.

This project will be further discussed below. Here we will only conclude that it is an activity which in every aspect and according to every criteria qualifies as a regular "project": It is long term, it is sizable, and its essence is to create development in certain predefined stages. Therefore it must also be questioned why the Embassy decided to finance it out of the consultancy fund, and not make a regular project out of it.

Project origins

According to one of the embassy staff responsible for the consultancy funds at the time when the support to the Statistics project was decided, an important reason, perhaps the principal one, for this decision was that, as the year was ending, the Embassy wanted to get rid of the unused balance in the country frame. And there was no way this could have been achieved through a regular project. There was at the time not 14 MSEK available in the consultancy fund, but from the country frame. It was thus a pressure to use up the overall country frame allocated to Mozambique, not the money already allocated to the Consultancy Fund. The Embassy was able to transfer money

from a budget post in the country frame with unutilized balance, to the consultancy fund in order to make the financing of the statistics project from the consultancy fund possible.

Previously, the Embassy had several times turned down the World Bank's request for Swedish funds, but at this time, when the embassy wanted to "get rid of" remaining unutilized balances on the country frame, the Embassy consented. This turn of events of course makes one wonder whether the Embassy really considered this to be a desirable project.

Also, another reason for deciding to finance it from the Consultancy Fund was that the Embassy saw it as a one-shot intervention on its part, since the WB would take over and manage the project completely in the form of a trust fund. For that reason the Consultancy Fund seemed to be an appropriate source for the Swedish financing.

Sida, through its Division for Democratic Governance, DESO, was supporting a statistics project in Mozambique in the beginning of the 1990s. This contained three or four educational components, among them the training of some 20 government officers for 3 months in Portugal. This support was subsequently phased out. Later another statistics project surfaced in a different shape, from the ministry of agriculture, which Sida supported through its Agricultural Department (NATUR) by financing the services of Statistics Sweden (SCB).

In 1996, when the current statistics project came up DESO, according to one of the DESO officers at the time, was approached several times but only indirectly. At that time DESO was actually considering to take on the project, but nothing came of it. Perhaps, because another donor (the WB) was already moving in.

However, it has also been pointed out that there was a situation such that DESO, having already left the previous statistics project, DESO would likely *not* have been very pleased to take a new statistics project into its Mozambique portfolio under the reigning circumstances.

Passive follow-up on part of the Swedish Embassy

I argued above that projects financed under the Consultancy Fund will naturally, for institutional reasons, receive less attention and follow-up, both formally and informally, than projects with regular project financing. Regarding the Statistics project the Embassy's officers confirmed that their practical insight into this project was very limited.

However, it is not possible to explain this entirely by the fact that it was financed from the Consultancy fund. Poor institutional memory in general at Sida was probably also a factor, as was the specific arrangement surrounding the statistical project, namely a project activity financed out of the Consultancy Fund and put in a World Bank trust fund to be administered and implemented entirely by the Bank.

Adoption of the project by DESO

In my view, whatever its birth history and circumstances surrounding its creation, the Statistical project should subsequently have been adopted, formally or informally, by the Sida-DESO division. Having done that DESO could have chosen to delegate the current management responsibility of the project to the Embassy, but in any case DESO should have included it among the institutions, which are visited and analyzed in DESO's yearly sector review of Sida's aid to administrative development in Mozambique.

The fact that it has not been included there is not only wrong from a principle point of view, it also creates unnecessary misunderstandings and is not geared towards facilitating a smooth development cooperation.

It should be pointed out that DESO has provided an explanation for its failure to take over this project started by the Embassy. In its view it is not so easy to include a project in DESO's regular monitoring and follow up activities, and in its dialogue with the recipient government, when the Embassy has already, on its own initiative and according to its own principles of cooperation, embarked upon a project. For DESO feels that it has, together with its implementing partners, over the years developed a culture of cooperation, and has "raised and educated" the partner to perform in a way it desires. In such a situation – in DESO's own view – it is somewhat reluctant to "jump in" and take over a dialogue that has already been developed by someone else – i.e. the Embassy.

In the spring of 2000 DESO turned down a request by the Embassy to take over the Statistical project and the support to the Gabinete de Estudos, below. The reason for this was mainly that DESO did not have the necessary capacity available. At the end of 2000 DESO is entering into a new two year agreement with the Mozambique government, and according to unconfirmed reports, it is then ready to take on the two projects and make them part of its portfolio of administrative development.

Gabinete de Estudos: SEK 11,4 million

This is a program to build a national and independent capacity in macroeconomic analysis

at the ministry of Finance. The idea was to build a *Gabinete de Estudos* which would serve as an advisory unit to the minister of finance. Sweden together with Norway and Switzerland decided to support a budget of US\$ 7,2 million over five years presented by the Ministry of Finance. The Swedish contribution would be 11,4 million SEK, taken from the consultancy fund to be disbursed over three years 1997–1999.

In the mid1990s the IMF and the WB wanted to declare Mozambique "off track" in its economic stabilization and restructuring program, an initiative which was resisted by many of the bilaterals, who thought that Mozambique had been wrongly judged and analyzed by the Bretton Woods. There was, therefore at the time, a considerable support, also from others than the Swedish Embassy, for this project, as it would develop a domestic capacity within the Government to analyze IMF's proposals and to assist in the negotiations with the IMF/WB.

Just as in the case of the Statistics project, this is an activity which in every respect qualifies as a regular development *project*, and this evaluation, therefore, has no choice other than to question the Embassy's decision to finance this project from the consultancy Fund, and not as a regular project.

Embassy's motives

In 1995/96 an initiative was taken by Sida to concentrate its aid to fewer sectors and projects.

The Swedish Embassy at this time, partly due to a corruption scandal that had occurred in the agricultural sector, wanted to discontinue Sweden's aid to the agriculture sector and instead concentrate on the education sector. The Sida headquarters, however, decided to do the exact opposite, namely to phase out the education support and instead concentrate on agriculture, even though Sweden had by the Mozambican Government been named lead donor agency in the education sector.

There ensued a kind of "power struggle" between Sida-Stockholm and the Embassy in Mozambique, regarding the formation of the future cooperation program.

Because of a stalemate thus created, when the proposal of the support to Gabinete de Estudos came up, the embassy's only recourse, at last in the short run, was to finance the project from the consultancy fund, which is mainly controlled by the embassy, not by the Sida head office.

The Embassy was quite aware that it would have been more appropriate to create a separate project, but that did not seem to be a realistic alternative at the time.

DESO's view

According to one DESO officer interviewed, it seemed remarkable to DESO that the Embassy decided to support a project of this kind outside of the framework of Sweden's on-going overall institutional support to the Ministry of Finance. In this officer's opinion the Embassy knew full well that DESO was against that. However DESO was never invited to take part in any discussions regarding this support that the Embassy was contemplating.

The situation with the Gabinete de Estudos, in DESO's opinion, was quite different from that of the statistics project. For this was a project very much in line with what DESO was already doing in the administrative support sector in Mozambique, and it was unlikely that DESO would have said no to this. In DESO's eyes therefore, there was little justification for the Embassy to go ahead on its own with this project.

According to the DESO officer interviewed, the view was clearly forwarded to the Embassy that the macroeconomic support should be part of the regular DESO administrative support to Mozambique, and that there was no reason for mounting a separate project within the consultancy fund. According to the same DESO representative however, a contributing motive for the Embassy's action could have been that the Embassy was critical against DESO for the many difficulties and problems which at that time was afflicting DESO's support in the field of administrative reform to the Ministry of Finance.⁷

Based on the information regarding the "historical" motives for the Embassy's decision to use the Consultancy Fund to finance this project, I am – in spite of the arguments against presented by DESO – inclined to accept that there was sufficient justification for the Embassy's decision. For the point is that the Consultancy Fund is a source, which should be available whenever the Embassy (together, of course, with the recipient country) *feels* that there is an urgent need which cannot – in the Embassy's best judgement – be financed in any other way, at least not with the required speed.

Therefore, the reason why this project is included in the list of doubtful uses of the Consultancy Fund, is not because it was necessarily a wrong decision at the time. Just as in the case of the Statistics it is rather that the Embassy should, subsequently, have moved to "regularize" the project.

The two projects each had their historic reasons - more or less convincing today – why they were financed out of the Consultancy Fund. However, they should, in a later stage, have been transferred to regular project financing. The reason is not just that they eat up a lot of funds, which should be used for more conventional uses, but also because, as consultancy fund projects, they probably do not receive the attention and formal follow-up that they merit. Furthermore, by not including the two projects in DESO's sector review work, Sida may get an incomplete picture of Sweden's cooperation in this sector.

⁷ There has been some speculation on whether the Embassy's decision to finance this project could have been influenced by the fact that the Embassy economist, responsible for the decision, was later to be recruited as an expert in this project. This is a possibility which is impossible to form any substantiated opinion about today. However, the detailed sequence of events at the time was such as to provide a plausible explanation for the embassy's decision to finance, without having to take recourse to a personal motive on part of the embassy official. Furthermore, it is an issue which is of little practical interest, for the following reason: The qualifications and experience of the economist in question are such as to fully justify his recruitment to the job, and – given that everybody else concerned thought it was a good project – it becomes of purely academic interests whether or not he had an intention to apply for the job already before the embassy decided to support the project.

Technical assistance to EDM: SEK 8 million

After a 20 year long support Sida decided a few years ago to leave the energy sector in Mozambique. When it wanted to support the present technical assistance to the governments energy authority, EDM, it was therefore decided that the Consultancy Fund would be used, referring to the principle that the Fund can be used in cases of so called “winding-down support”. Even if the amount is quite high for Consultancy Fund financing it is therefore seen as a decision “according to the book”.

While I do not differ from the view that the Consultancy Fund is an appropriate source of funding when the Embassy wants to manifest that it is not assuming any larger responsibility in a certain sector, it deserves to be pointed out that there is actually no reference in the existing agreement to such use of the Fund. So judging purely against the letter of the agreement one could therefore question this use of funds.

Also, it could perhaps be debated how meaningful the above mentioned principle of “winding-down” support is. Is anybody actually noticing this manifestation, which consists of extending support to an on-going project by using a different budgetary source, namely the Consultancy Fund, instead of just continuing using the regular project funds? Are the institutions and the individuals of the recipient country in general really aware of the distinction? How about other donors? Could it be that the only party being aware of the manifestation is Sida itself? In that case it has served no useful purpose to have used the Consultancy Fund, normally reserved for short term quick disbursing activities, to finance a long term technical assistance.

Other projects

Purchase of equipment

In the case of the SEK 150,000 given for the *purchase of six computers* to the offices of MINEC this support must be ruled to be *not* in accordance with the agreement for the simple reason that the agreement’s article IV explicitly prohibits equipment to be financed. This is of course something which the embassy was, and is, quite aware of. Following an urgent request from the Ministry of foreign affairs for this financing, the embassy therefore turned to the head of the Sida Africa Department to approve of this use of funds.

For the same reason we must disqualify the SEK 850,000 in *institutional support to the Catholic University*. The fact that only SEK 267,750 of 916,300, or less than 30% of the total approved budget in this project was for equipment, does not help, because the Article IV is expressed in a categorical form, namely that the “*The Swedish funds may not be used for any type of investment or procurement*”.

SADC Council of Ministers

In a general sense I do not think that the Embassy’s decision to support a meeting of the SADC council of ministers with SEK 1 million is against the purpose of the fund. However, it is a use, which can only be said to be very indirectly related to that purpose, and – given the restrictive phrasing of the agreement – the decision can therefore be questioned on formal grounds.

Swedish culture week

The decision to finance the Swedish culture week in Maputo, which was held at the time of the visit of Sweden’s King and Queen to Mozambique, was justified by the Embassy on the grounds that Sweden has a cultural agreement with Mozambique. The support would therefore be in accordance with the objective to “*facilitate planning, decision-making and follow-up activities related to the development cooperation between the two countries*”.

While I can agree with the logic of that reasoning, it also deserves to be pointed out *firstly*, that the contents of the activities of the culture week only had an indirect concrete relationship to the agreement on cultural cooperation between the two countries, and *secondly*, that the context in which the cultural week was held, had a lot to do with promotion of Swedish industry by way of exports and investments. Not that there is anything wrong with that, on the contrary. But the way the agreement on the Consultancy Fund has been constructed and phrased, it would seem to exclude activities designed mainly to promote Swedish interests. Therefore, while not saying that this use of funds was against the criteria of the fund, it can at least be debated how suitable it is.

Internal consultancy Mozambique Government

This concerns an amount of SEK 9,000 given to a government agency, Tribunal Administrativo, to pay two officers recruited to render services in their spare time away from their regular government jobs. This is definitely a use of the Consultancy Fund well within the criteria, but a (minor) point of a different kind can be raised, namely about the rate of salary paid to the two government employees. To compensate a combined four weeks of overtime work, they received SEK 9,000, which is an amount perhaps 10 times higher than the regular salary rate in the Mozambique government.

This raises the question of the Embassy's policy w.r.t. its willingness to finance topping-up of government salaries.

Rescue helicopter missions

This SEK 2 million support to contribute to the urgent relief work following the floods caused by torrential rains in the spring of 2000, the Embassy financed from the Consultancy Fund. It is by everyone concerned, as well as by outside observers, including myself, seen as a very timely and worthy initiative on part of the Embassy. Nevertheless, it is the duty of this evaluation to point out that this use of funds is *not* in accordance with the criteria as defined in the current agreement.

Even if one can define *services* to also include transport services, from a formal point of view, this expenditure would still be at odds with the objective statements of the fund. It is interesting to note that the Embassy asked for Sida's sanction of this expenditure, not because of the kind of usage, but because the Embassy thought that the level of the amount required it to do so. Subsequently the Sida rule of SEK 1 million limit for the embassy's own decision making has been abolished.

Swedish clinic

SEK 380,000 from the Consultancy Fund was given to the Swedish clinic in Maputo to finance that part of the costs of an expatriate doctor, nurses and medicines, which could not be covered by membership fees.

It is clear that this type of fund use is not only incompatible with the criteria as written in the agreement, but also in breach of the generally perceived objectives of the fund.

The Embassy's decision is based on a decision made by Sida's Africa Department (AFRA decision 9/97). It is not clear why this unorthodox use of the Consultancy Fund was also approved by Mozambique's Ministry of Foreign Affairs and Cooperation.

3. Implementation of the fund: Inputs and activities

Inputs

The inputs – broadly speaking – in this program are

- Funds provided by Sweden
- Planning and administrative capacity on part of Mozambique, and
- Sida's participation with *dialogue*, *authorization* and *monitoring*

From disbursement records and financial statements it is clear that the funds have been made available by Sweden on a timely basis.

Although documentation on government's organization and administration is scant it was nevertheless evident from interviews that the administrative capacity has been provided by the Mozambican government, although, as will be seen below, it can be questioned whether this capacity has been

As for Sida's participation with *dialogue*, *authorization* and *monitoring* the Embassy's organization and work plans as well as interviews showed that this has also been present. Below we will discuss if this capacity was used in the most optimal way.

Activities

The activity level contains the implementation of the program, the spreading of information about the fund to interested and relevant parties, i.e. the selection process of beneficiaries, managing the list of prospective uses of the consultancy fund, etc. The Ministry of Foreign Affairs and cooperation is supposed to:

- publicize the existence of the Swedish Consultancy Fund
- collect proposals for uses of the funds
- plan and coordinate proposals
- assign relevant staff to relevant and useful courses, seminars, etc.
- maintain up-to-date planning lists
- ensure adequate documentation regarding each use of funds
- liaise with the Swedish Embassy

The Swedish Embassy should:

- dialogue with and conduct planning meetings with Minec with a view to implement appropriate uses of the Fund
- commission and procure consultants for studies and other uses of the funds; write decisions and decision memoranda
- follow up and report on the outcomes at output, effect and impact level of each use of fund

Publicizing the existence of the Fund

Interviews with persons having had contact with the Swedish Consultancy Fund revealed that very few people in the government even know about its existence. This is a conclusion which was also confirmed by a Minec representative. This is remarkably considering that the fund has existed for 26 years. This should be seen as a problem, because it means that Minec's knowledge about the need for potentially useful studies and courses in the many institutions of the Government is limited, since very few institutions and individuals will approach MINEC with proposals and requests.

In the agreement there is nothing obliging the parties of publicizing the existence of a Swedish consultancy fund. Nor is it clear whether the parties to the agreement actually wish the existence of the Fund to be widely known throughout the administration. If they do, they could probably

achieve this through simple advertising and information. But perhaps both parties are content with only Minec knowing of the funds, and that it informs other institutions on its existence on a selective basis, depending on for whom and for what use they want the funds to be used for.

In my opinion the usefulness of the Fund would increase if the knowledge about it were to increase, because then presumably more proposals of potential uses would be forthcoming, thus increasing the competition for the use of funds, and thereby also, presumably, the quality and relevance of the different uses of the funds. An active publicizing of the Fund's existence, and information about the rules and conditions for its use, would thus be an initiative which could enhance this part of Sweden's development cooperation with Mozambique.

Minec's coordination among government institutions

I do not have much information regarding how well Minec has carried out its task – stated in the agreements article 6 – of coordinating between ministries, other donors and other institutions involved. However, if the knowledge about the fund is almost non-existent in large parts of the Mozambican administration, then presumably there has been little to coordinate for Minec.

One information that surfaced is that the ministry of planning and finance has benefited disproportionately from the technical assistance financed by foreign donors, including Sweden. This would seem to be consistent with the conclusion that very few others know about the one important source of financing for technical assistance, namely the Consultancy Fund.

Dialogue between Minec and the Swedish embassy

A shortcoming, mentioned by Minec, regarding its ability to analyze different proposals for fund uses and to conduct an active dialogue about this with the Swedish Embassy is that in the ministry there are many people dealing with consultancy funds, and that these people keep changing as they move around in different jobs, and in different ministries.

This could explain why Minec has in some instances been a passive dialogue partner and – according to Minec itself – perhaps, on occasion, accepted proposals for fund use which it did not really like, or wish to prioritize.

Embassy's coordination with other Sida departments:

On the one hand consultancy funds are – in most peoples' perception – supposed to be decentralized funds, which the embassy can use on its own without the usual obligation to receive formal approval from a Sida department, which might be concerned. On the other hand, however, it is clear that if the Embassy wants to finance bigger or more long term projects from the Consultancy Fund, then it will be in its own interest to maintain a tight dialogue and coordination with the concerned Sida department.

As our examples above have shown the coordination with the concerned Sida division DESO was very limited in the case of the two big technical assistance projects. DESO, in its own words, has no wish to object to or hinder the Embassy from exercising its privilege of using the Consultancy Fund to launch and to support projects for which no other quick financing can be found. But when it does so, and if the project in question turns out to be a rather big and long term one, then obviously the Embassy should dialogue and coordinate with DESO. If it then turns out that DESO is not able or willing to engage itself in the project, then a minimum requirement must be that there is sufficient cooperation between the two Sida partners so as to avoid that the project might go counter to DESO policy or plans. And enough communication must be established so that DESO can be made aware of major developments within the projects. It has not been possible for this evaluation to clearly establish who is to blame for the apparent lack of cooperation between the Embassy and Sida in the cases referred to previously.

Adequate decision documents

Having read, or browsed through, the 79 decision memoranda regarding Fund uses under the two last agreements, which are available in the Embassy's files (for 16 of the uses from the previous Fund the decision document is missing from the file), my impression is that the project preparation phase has been carried out more thoroughly by the Embassy during the current agreement than during the previous one.

Usually the documents offered in support of each individual project decision are clear, and the decision memoranda, that have been written, are of adequate volume and depth. One gets the impressions that no decision had been taken until there is reasonable assurance that the use is relevant, important and of reasonable quality

The analysis and documentation of each contemplated use of the fund has been carried out with common sense, and bringing it up to the level which seems appropriate in each particular case. Many times it is quite enough with about 10 or twenty lines of text included in the decision memorandum referring to letters of request and other supporting documents, that have been submitted. In some cases a short memorandum of just a few pages has been prepared in support of the decision to finance. In only a handful of cases have substantial underlying decision memoranda (of about 10 pages) been prepared. Among the altogether 79 decisions looked at by this evaluation there are very few – maybe less than half a dozen – where a perfunctory analysis gave the impression that a more thorough project preparation would possibly have been called for.

Accounting

The financial accounting of the uses of the Consultancy Fund carried out by the Embassy as well as the one done by the Sida head office are *not* perfect. The project list provided by the Sida administrative department was incomplete, had disbursement figures totally different from the one supplied by the Embassy, and was in the local currency *meticaís*, not SEK. The financial report received from the Embassy, generated as "Sida Planning Report" from the Sida PLUS system, was not complete and had many figures, which did not correspond exactly to the amounts specified in the specific project agreements.

In both of these cases I assume that it would be possible to receive better figures by repeat requests and through adaptations. But the point is that the financial records are not clear and satisfactory in the form as they are readily available and presented.

A shortcoming in the presentation, which apparently does not have a simple solution, is that the financial accounts generated by Sida's PLUS system lists the projects in a totally incomprehensible order. It is not according to calendar dates, not according to sectors, nor according to other conceivable categories. Nobody seems to know.

Another frustration is that the system – after so many years of operation – apparently is still incapable of presenting the data in a neat and attractive form. Instead of printing the information in a few comprehensive sheets of paper, the information is scattered loosely over many pages, preventing the reader from getting a good overview of the content.

4. Outputs, effects and impacts

Outputs

The *outputs* of the consultancy fund program has been defined as follows for the five different categories:

Consultancy studies, technical assistance, and “other”:

- *Studies and other services are completed at desired quality*

Documentation needed are evaluative summaries or comments on part of the responsible Embassy officer and/or concerned Government official. This information was not available from the Government, and from the Swedish Embassy only for about a dozen of the projects.

Course and conferences and Long term education:

- *Assignments are carried out as planned. The student completes his or her studies successfully, and the government official does attend the conference and is able to assume and understand what is to be learnt from it.*

Documentation needed are completion reports from participants, grades and certificates from universities and organizers of courses and workshops. In reality hardly any written information of this type is available. For a few selected projects comments were provided by the Embassy staff. Some information came from interviews for a small sample of projects. In case of the students we know that the output level has been achieved if he or she receives acceptable grades. In case of the conference goers there is really no way we can document that the conference has been duly attended and consumed. We just have to assume that, if a relevant and responsible person was selected, then the conference as described to the Swedish Embassy at the time of the financing decision, has been attended and “absorbed”.

As stated above, the Embassy is judged to have done a good job in analyzing the expected relevancy and efficiency of the use of funds *before* it awards the money, i.e. at the *activity* level. However, regarding the outcome at output, effects and impact levels there has been virtually no control exercised, nor is there (with only a few exceptions) any documentation in the Embassy files.

Only for the most recent fellowships financed under the Consultancy Fund, has the Embassy in the agreement included a paragraph, which requires the student to provide evidence of successful completion of the studies.

It is doubtful whether it would be worthwhile to require such evidence to be submitted also regarding the attainment of objectives at the outputs, effect and impact levels, because it is difficult to get meaningful information with a reasonable amount of effort at the higher levels. If the Embassy had collected such information it would in many cases probably be difficult to interpret the value of it. A simple report from somebody who attended a course or a conference regarding how much he or she learnt there, how relevant it was, and how well it was subsequently applied on the job, has limited value if the Embassy is not also fairly well acquainted with the actual situation in the respective work place.

Measuring outcomes at output, effect and impact levels

Given the fact that there is very little information available on the actual outcomes of the many small uses of the consultancy funds, the only basis for drawing conclusions regarding their goal attainment at output, effect and impact levels would be to visit as many projects as possible in order to make observations and ask questions. Given however that the Consultancy Fund contains a large

magnitude of small projects, it is not feasible to visit more than a small number of projects. Moreover, since the projects are all different from each other, and in different surroundings, it would not be satisfactory to visit a sample which could be used to draw conclusions about the whole population of projects.

With respect to the category *conferences*, seminars and workshops we can with some confidence apply the following reasoning: *if* the analysis underlying the decision to finance the participation was reliable (which I think it generally was), then we should also be able to assume that the *output* was positive – at least if we assume that the person/s in question did not spend the time in the hotel room sleeping or doing something other than attending the course or the conference.

Regarding the *studies* that have been financed from the consultancy fund one can, with some degree of confidence, expect that if a study had not been carried out to the satisfaction of the client – whether this client is the embassy/ Sida or some agency of the Mozambican Government, chances are that one would have heard about it. In other words, it would have surfaced somehow in documents or in interviews. Therefore, for the many studies which we have not heard anything about – whether good or bad, it is perhaps reasonable to assume that these studies were completed to the satisfaction of the client. Regarding bigger projects, however, one must look at each individual case if the outcome was positive or not. This we will do below when we will look somewhat closer at the 11 projects costing SEK 1 million or more.

Effects and Impacts

The desired **effects** of the consultancy fund program have been defined as:

Conclusions and recommendations made by studies, as well as knowledge and insights acquired in conferences and other assignments, are fed back to, and implemented and applied in the relevant ministry or institution/s.

Impact, according to the definition applied in this report, is taking place if and when the activity financed from the Consultancy Fund leads to an output which is applied or implemented, and thereby leads to:

a better functioning development cooperation between Sweden and Mozambique, or to enhanced administrative and technical capabilities in areas of relevance for the economic and social development of Mozambique.

Documentation needed at these levels of the goal hierarchy are completion reports from the respective ministries, which accounts for effects and realized or potential impact, as well as evaluative comments and conclusions from consultants and from Embassy officers. In reality, however, with a few exceptions, no such documentation is available. On some of the major projects some information could, however, be gathered from interviews.

Regarding courses, conferences and studies an *effect* has taken place if and when the student or officer actually applies his newly acquired knowledge in his/her job. One condition for this to happen is obviously that he or she stays on the job after returning from the assignment.

When it comes to the many small activities financed out of the consultancy funds it is not realistic for the Embassy to receive information which could in any meaningful way prove that the knowledge has been applied. It is however reasonable to assume that the knowledge is in fact applied *if* the following two conditions apply, namely:

- (1) the output level has been attained, and
- (2) the person is back working on the job (for which the education/training received was judged to be relevant

In many of the cases one can deduce a likely positive outcome at the effects and impact levels, namely: *If* the relevance and quality of the assignment was analyzed properly at the activity level, and *if* we have no reason to suspect that output has not materialized, then there is really no reason to assume that a positive effect has not also materialized. In fact it would be unreasonable to assume that such an effect has not taken place.

The impact of a project has been achieved if the conclusions and recommendations made by a study or the insights and knowledge acquired through courses and through training, financed by the consultancy fund, has not only been applied properly, but that it has been applied so successfully as to have contributed to an enhanced development cooperation, or have raised the capacity and capability of the Mozambican Government in its development work.

Below we will look at the evidence available regarding outcomes at output, effects and impact levels of the 11 projects financed under the consultancy funds which are over SEK 1 million.

Gender, Cost efficiency, Cost effectiveness, Sustainability, Relevance

For each of these four concepts we can look at the whole program as such, or at each individual project financed by the Consultancy Fund. There is really very little information available to this evaluation to be able to judge any of these concepts with any degree of confidence. But we will comment upon each one briefly.

Gender

The objective of promoting a more even gender balance cannot be said to be important in the Consultancy Fund cooperation program. Nevertheless, Swedish policy, in general terms, today dictates that whatever the program and whatever the activity, one should, *to the extent applicable and possible*, always strive to implement a program keeping also the gender objective in mind, and at least make sure that the gender balance is not made worse by the program activities.

Regarding the *effects* and *impact* levels we are not able to identify any outcomes relevant to the gender issue in the projects supported by the Consultancy Fund. Looking at the *activity* level of the Fund's implementation, we can, however, extract the following gender information:

Of the 18 individuals who received financing from the Fund to attend a course, workshop or the like abroad, there were 15 men and 3 women. Of the 10 consultancy studies, financed by the Fund, where an individual consultant could be defined, 8 were carried out by a male consultant and only two by a female one. On the other hand of the three students receiving long term education abroad, financed by the Fund, all three were women.

These rather skewed figures can of course not prove that the implementation of the Fund has been biased against women and in favor of men, because we do not know if, in each particular case, there were suitable female candidates available as alternatives to the men that were chosen. Possibly we might be prepared to conclude that the embassy in the future should devote some extra attention at the activities level (to the extent that it has not already done so) to the gender of the persons benefiting from the fund.

Cost efficiency

Cost efficiency in our terminology measures the relative cost of producing the *output* of the program. No data to permit conclusions regarding cost efficiency have been available, and time has not permitted elaboration of such data.

Our review of the filed documentation and the interviews with the respective program officers have, however, not revealed any problems that have prevailed in the administration of the Consultancy Fund and in planning and preparing the many individual uses of the fund. I am therefore inclined to conclude that the cost efficiency of the Consultancy fund program should be satisfactory, and not worse than for any other Sida program.

A possible exception to this statement might be some of the group of smaller allocations to finance travel costs to BITS courses in Sweden, and also some of the smaller seminars and conferences, that were financed, because the amount of administrative time that had to be spent on some of them was high in relation to the size of the project.

Cost effectiveness

With respect to the relative cost of achieving the *effect* of the program, we have even less information than regarding the cost of achieving the output. Even if my general conclusion is that the projects, i.e. the uses of the funds, have been relevant and have generally been well prepared, and that the effect level has generally been achieved by the activities financed by the fund, we have really no basis on which to judge the programs cost effectiveness.

Sustainability

Regarding the sustainability of the individual activities or projects financed by the Consultancy Fund we can only form an opinion regarding a few of the bigger ones, namely the statistics project, the macroeconomic advisory unit, and perhaps the rehabilitation of the printing machines. In the former two cases we have concluded that the respective project has been successful in creating development. The statistics project has been successful in laying the foundations for future activities, as has been the macroeconomic advisory project. In the case of the newspaper printing machines it is more difficult to judge. As for the technical assistance to EDM this project has just started so it is too early to judge.

As for the sustainability of the consultancy fund program as a whole, there is no doubt that it is functioning on a sustained basis. As long as the donor is willing to contribute the funds, there will in the foreseeable future be forthcoming many worthwhile candidate projects and there will be a government interested to participate. This has been proven through the 26 years that the fund has existed so far. Whether such a Fund could function also in the absence of a donor putting up the funds is of course an entirely different matter.

Relevance

Regarding the many individual projects we have concluded that most of uses of the Consultancy fund have been relevant with respect to the general planning needs of the donor as well as the development needs of the recipient country.

Regarding the relevance of the Fund as such, we conclude that it is highly relevant, because the Embassy feels that it needs the flexibility of the Consultancy Fund, because this is something no other source of financing, available to the Embassy, can offer. Also one may conclude that the more rigid is the rest of the country frame financing, the more need is there for a flexible consultancy fund. If the "regular" system does not allow for easy adoption of new projects and the termination of old ones, then of course there will always be a pressure to accommodate new project ideas from

the Consultancy Fund, even in the cases where the Embassy may think that it would be more appropriate to have used regular project financing instead.

5. Case studies

In Annex 1 we present a brief review of the 11 projects amounting to at least SEK 1 million – one from the previous Fund and 10 from the present one – in order to assess their outcomes and their achievements of targets and objectives. In terms of the total available money from the present Fund we will then be accounting for SEK 30,565,000 out of a total of SEK 38 million, i.e. 80% of total funds.

As a result of this review, according to the (limited) evidence available to this evaluation, we found that for all except two or three of the projects, both output and effect/impact targets have been achieved or are likely to be achieved. In several of the cases however information available was so thin that the conclusions are very uncertain.

The conclusions regarding the individual projects are summarized as follows:

1. The Statistics twinning project at the Ministry of Finance

This is basically a sound and relevant project. At *output* level most things seem to be accomplished according to plan. Regarding the *effects* and *impact* levels there is no information, which would suggest that it will not be possible to reach planned targets, even if it seems clear that it will take substantially longer time than originally thought. The project is also still far away from perceiving a situation where *sustainability* could be reached.

Being financed from the consultancy fund there was no Sida sector department to assume responsibility for follow-up. This had to be done by the Embassy itself. However since this was a trust fund arrangement with the World Bank, the Embassy – rightly – relinquished the project supervision task to the Bank, to the tune of a 5% administration fee, which however, apparently this time has not lived up to its assumed duties.

2. Rehabilitation of printing machines

Before questions regarding the government's plans to invest in a new printing press line and sell the existing machines are answered we are not really able to judge the outcome of this project. We know that the *output* level has been attained, but not if it is yet complete. As long as the existing machines have not been connected into one line, or sold at a profitable price, there is no positive outcome at effects level.

3. Technical assistance to the National Demining Commission: SEK 1,050,000

This is not an easy project to work with, and the risks are great that the targets in terms of output and effects/impact will not be reached. At the same time we know that demining is a very urgent task, which must be addressed. It is literally a matter of life and death for parts of the population. And one would therefore be reluctant to conclude that it was a bad decision on part of the Embassy to support this project.

4. Lichinga transmission line feasibility study

The feasibility study is a very relevant use of the Consultancy Fund, and the outcome is positive.

5. Zambesi bridge feasibility study

After Sida had provided its feedback comments the feasibility study was expanded and improved, and has subsequently served its purpose.

6. Study on road repair

The study was carried out according to plan, and was used as an input in the further decision-making regarding the rehabilitation of the Nyerere avenue.

7. Technical assistance Energy sector

Given Swedpower's long and successful cooperation with EDM, we have reason to be optimistic with respect to the chances that the *output* in this project, which started only in may 2000, will be delivered according to plan, and also that, subsequently, there may be a positive outcome both at the effects and impact levels.

8. Rescue helicopter missions

This was an urgent life saving mission, which obviously had a different set of targets and objectives than most development projects have. The rescue missions were carried out according to plan, and there is no information available which would suggest that the allocated funds have not been well used.

9. Technical cooperation in the telecommunications sector

This technical assistance project achieved its planned goals, and the Embassy's responsible program officer is mainly satisfied with the project's outcome.

10. Institutional support to macroeconomic unit in Ministry of Finance

Regarding all three levels – output, effect and impact – some of the project objectives were attained, while others were not attained. The relevance of the project is very high, while the sustainability, so far, must be judged to be comparatively low given the fact that the project has not been successful in its capacity building efforts.

11. Pre-feasibility and other studies regarding provincial support

The studies are believed to have been completed according to plan and served their purpose in preparing the Swedish-funded regional program in Niassa.

IV TOWARDS A NEW, REVISED CONSULTANCY COOPERATION

1. The embassy's needs and wishes

The instruments and possibilities that the fund can offer should obviously be based on an analysis of the *needs*, which the Embassy thinks should be satisfied by means of a Consultancy Fund. These needs can be summarized as follows:

1. to increase information and understanding of past, on-going and future projects financed by Sweden.
2. to contribute to increased knowledge and capability in the Mozambican government and administration

Regarding the Embassy's *wishes* the *flexibility* and quickness, that the Fund offers were emphasized⁸:

“the consultancy fund is one of the few, probably the only, flexible instruments we have in our development cooperation. The sector support programs are mostly very big undertakings, that roll on slowly but steady by themselves, and which are very difficult to steer, turn around or change direction... Also, today's (Swedish) country strategy for Mozambique is extreme in its requirement to concentrate the aid to a few sectors. In general it can not be said that Sida has a flexible system of rules and regulations.”

All the Embassy officers interviewed would like the Consultancy fund to provide maximum flexibility. It should be possible to finance anything that comes up, even equipment. The embassy should have the power and right/ a mandate to finance anything that comes up which seems *relevant, urgent and important*. With respect to equipment however, the flexibility should perhaps not be advertised too much because of a possible risk that the Embassy will be flooded with requests for cars, PCs etc. The discretion to finance equipment should be left to the embassy.

The Embassy also, however, expressed that the Consultancy fund should not be used for obviously big projects, where it is clear from the start that it is by definition a *project*, which is going to go on for several years. But in cases where it is not clear whether a project would form part of a long run engagement on part of Sida, then it could also be justified to use the Consultancy Fund as a (temporary) source of financing also for bigger projects.

If the attraction and strength of the Consultancy Fund lie in its flexibility and the freedom it gives the Embassy to support at short notice projects, which do not appear to have any other readily available financing, one must also be aware of the risk of using these funds when other forms of cooperation are the more appropriate ones. A case in point could be the statistics program, where possibly the embassy out of “laziness” decided to go ahead on its own, even though it must have been clear that the best and most appropriate alternative would have been to refer this project to the already on-going administrative support managed by DESO.

Uses of funds

The Embassy wishes the Consultancy Fund to offer maximum flexibility and possibility in its use. So the area of focus or *allowed sectors* should be the widest possible. If any borderline is needed it would be set by the Country Strategy for Mozambique established by the Swedish Foreign Ministry. But with the concentration of Sweden's aid to only a few sectors, which has taken place in recent

⁸ Quoted from the Swedish Ambassador

years, the areas allowed by the Country Strategy have been narrowed down considerably. Therefore, while the general orientation regarding expenditure under the Consultancy Fund should be in accordance with the Country Strategy, there is no need to formally exclude other uses and areas.

The degree of freedom should also apply to *type of expenditure*. Both services and equipment should be allowed. Studies, conferences, courses and short term training and education, technical assistance projects (according to the KTS model and others), other (mainly smaller) projects, and equipment, none of those should be ruled out if the Embassy sees an urgent need to finance.

With respect to financing *equipment* it is interesting to note that e.g. computers are today very inexpensive in relation to the cost of consultants, and can therefore in some cases offer the Embassy a good opportunity to accomplish important needs with a limited amount of funds.

General skepticism was expressed (also by Minec) against using the Consultancy Fund for *long term scholarships* for graduate studies abroad, much for the same reasons as were accounted for in section III:2 above. Formally, however, in my opinion, not even this potential usage should be ruled out.

The participation in the *international courses* offered by Sida is obviously an activity, which according to its objectives is very well suited for Fund financing. These programs aim at “*enhancing managerial and technical skills in cooperation countries and cover subjects of strategic importance to economic and social development*”, thus closely coinciding with the objectives set for the Consultancy Fund.

Among urgent uses of the Consultancy Fund that Minec sees for the future are to build up an efficient filing and archive system in the Ministry, and to finance the participation of Minec’s officers in field missions to the country’s provinces together with foreign field missions.

Regarding the category *studies*, most of the Embassy’s needs of smaller studies are financed out of the IRV funds, today called *Program Development Funds, PMF*, while all studies, that are initiated by the recipient country will be financed from the Consultancy Fund. The size of the PMF is normally about SEK 1 million a year, which allows the Embassy to finance about five rather big studies each year. The general purpose of the PMF is to finance the Embassy’s internal development and training of Embassy staff.

2. Integrating KTS-type cooperation into the Consultancy Fund

The Embassy feels strongly that so called *Contact-financed Technical Cooperation* (in Swedish = KTS) could and should be introduced as one type of support allowed under the Consultancy Fund. In December 1998 it officially requested Sida’s permission to include this form of cooperation under its Consultancy Fund program, which it received. Well aware of the fact that the KTS instrument is currently being used only in Sida’s non-program countries, the Ambassador had previously authored a study, which argued that the KTS instrument is well suited also for some of the Sida program countries, among them Mozambique regarding some of the more mature industry sectors.

KTS, the Embassy claims is a vehicle, which stands a better chance than other aid forms, of realizing the Swedish objective of “Partnership with Africa”. Also, the cost sharing taking place within the KTS projects can be seen as a guarantee that the recipient country partner is in deed interested in the project. The primary difference between the KTS approach, on the one hand, and the “regular” country frame development cooperation, on the other, is that in KTS Sida’s actions are *reactive*, while in the latter Sida’s most of the time takes the initiative and is thus *proactive*. The KTS form of cooperation therefore demands more from the partners. They have to make a bigger effort and also risk something themselves.

Given the Embassy staff's earlier active involvement with this instrument (both the Ambassador and the Counselor for Development previously served in the Sida Infrastructure Department, INEC, which is responsible for KTS), the Embassy believes that it would be able to administrate the KTS on its own if it is introduced into the Consultancy Fund. It would, however, be useful if the Embassy could have a contact point at INEC's KTS-division for advice and backstopping. But the responsibility for management and supervision should be with the embassy. If KTS is introduced into the Consultancy Fund, then some of the Embassy officers would need to undergo training at the KTS unit in Stockholm. For some bigger KTS-projects, conceivable the Embassy could cooperate with the KTS unit, and its officers could also, from time to time, visit Mozambique.

The KTS unit at Sida today has a mandate to work only with non-program countries. In 1995 Sida's General Director, however, expressed the opinion that it should be possible to apply the KTS methodology everywhere in the world, i.e. also, in the Sida program countries, and using almost any funds to finance the KTS projects. He predicted that the KTS form would become much more prevalent than it is today.

INEC is today ready to apply the KTS-instrument also in program countries. Its deputy head in an interview professed not to believe the argument often forwarded that poor countries like e.g. Mozambique cannot handle the KTS form: *"This is simply not true. Even in very poor countries one can often find pockets that have the necessary competence to enter into independent agreements with foreign companies"*.

INEC, has received questions also from other Embassies if they are allowed to use the KTS methodology. KTS should be seen as an approach or methodology, and not only as a legal program category. It is very much a question of the donor agency Sida being able to hold "hands off", and refrain from going in, trying to take initiatives and run the show. There is a risk that the KTS form may become "watered down" when other entities, like e.g. embassies, start to apply this cooperation form for their own purposes. INEC does not mind that others use the KTS form, and does not want to deter them to take initiatives. However, INEC thinks that one should be careful in using the label KTS if it does not in reality correspond well with the KTS technique. As was said above it is not really a new technique as such for development cooperation. It is rather an approach on *how* development cooperation should be conducted. The methodology of concessionary credits is not so very different from KTS. Also there Sida finances contracts that have been entered into by a Swedish and a recipient country party.

As of this year with Sida's new budget system, KTS is no longer a separate budget item, but part of the regular aid budget. There are today 140 KTS projects in some 30 countries.

3. Sida Rules and regulations

There is today, according to Sida's rules and regulations, nothing preventing an Embassy to shape the consultancy fund more or less according to its own taste, that is as long as they respect the general principles of Swedish aid set out in the official documents *Country Strategy* and *Country Plan*, and also the general rules and regulations which govern the procedures – decisions, procurement, administrations etc. of Sida's development cooperation.

Sida's Chief Controller confirmed in an interview that Sida's regulations for the consultancy funds established in 1986 are no longer valid. As of 1998 only those decisions which are contained in Sida's *Manual on Rules and Regulations* are valid. Everything else is not. He believes that there is really no need for specific rules, because there are other general rules which prescribe what can, and what cannot be done with consultancy funds. The legitimate area for use of the consultancy funds is in general delineated by the *Country Strategy* and Sida's *Country Plan*. Even though these documents are

rather general it should be clear from them what the Consultancy Fund can and what it cannot be used for. When it comes to procedures, how decisions are prepared and made etc., all that is prescribed in a general way in the document “*How Sida works*”. The chief controller stated his opinion that there should be no obstacle in principle also to finance equipment from the consultancy funds, if this is what the parties agree to do. Broad criteria for consultancy funds, which delineate them from other aid programs, are the *size* – they are primarily meant for smaller projects, and the *length of time* – the consultancy funds are primarily for short term uses.

Procurement rules

Following serious critique recently leveled at Sida by the State inspection board, RRV, for not applying the general Swedish Government law on procurement (LOU) to the extent that it probably should, there is today an acute debate going on in Sida whether or not procurement financed by Sida must follow the LOU. If it is determined that it must, this could, in e.g. the opinion of INEC’s Deputy Head, threaten the existence of KTS as a development cooperation method as it is known today. The Sida Board has recently approved an official comment to the RRV critique. In the opinion of Sida’s Chief Controller, however, RRV’s critique should not influence the liberal procurement rules (through the exemptions from the tender requirement) today enjoyed by the KTS: “*These are two entirely separate things. LOU does not go beyond Sweden’s border*”.

In KTS Sida is active only in economic sectors where Sweden possesses a competitive edge. But there is no rule or document stating that KTS financing is tied to Swedish suppliers. Nevertheless, the KTS form, in practice, means working with the Swedish resource base. Procurement under KTS is never done in Sida’s name, only in the recipient’s, but Sida will often assist the two parties in the procurement work. When there is a repeat order one can generally be exempt from applying competitive bidding procedure.

If and when the KTS is introduced into the consultancy fund there may be a risk that competition will be dampened in a case of a strongly consultant-driven consultancy fund. Therefore one must give special attention to procurement aspects when managing the Consultancy Fund. Interviews with the Embassy staff showed that the Embassy is aware of this risk.

4. Administrative routines and responsibilities

Degree of control

How much control should the Embassy exercise over the use of the Consultancy Fund?

If consultancy funds are to be looked at the same way as other funds in the country frame, then there is an objective in itself – for better or worse – that the recipient country institutions themselves are allowed to take responsibility for *implementation*. According to this philosophy, it is not the actual use of the funds, which is the most important. Just as important (in the long run) is that the government’s own institutions can develop knowledge and capacity to manage such funds efficiently and responsibly. The government institutions do after all have control mechanisms of their own which should be put to the task.

An alternative for the Embassy could therefore be to relinquish to Minec the responsibility for implementation and follow-up for *part of* the Consultancy Fund, primarily the part used for seminars, conferences and education. Those parts Minec would operate on its own, without Sida interference. At the same time the Embassy would be responsible for contracting studies and other bigger uses of the Consultancy Fund. Some would see this as an effective way of getting a serious involvement in implementation, management and follow-up of the Fund on part of the Mozam-

bican government, if it can feel that it “owns” the project. The Embassy could thus abstain from controlling all the details about the proper use of the funds. Minec would have to report back to Sida once or twice a year. Sida could receive – for its information – lists of projects under consideration from Minec. This would give the Embassy a chance to intervene and react if it wanted to, but would not force it to get involved if it does not feel that there is a need to do so.

The Embassy, however, points out that the risks of corruption is so large that “we feel unable to hand over responsibility completely”, emphasizing that there is also an important development effect from the constant dialogue that the Embassy has with the counterpart, giving it a chance “to raise the eye-browse” at any attempt to handle funds in an in-proper way. *“Also, we feel it is important not to lead someone into temptation of bribery/corruption, for that is what would take place if we relinquished responsibility totally”*. The Vice minister at Minec in an interview pointed out that until the donor does not have complete confidence that the funds can be handled independently by the Mozambique Government without any risk of corruption, then one should not consider transferring the responsibility of the funds over to the Government.

Division of Responsibilities between the Swedish Embassy and Minec

Today there is no clear division of responsibility regarding the management, coordination and decision making of the Consultancy Fund. The agreement does not specify fully who is to do what. Nor does it state who is to take the formal decision. It is sometimes believed that the unanswered questions are provided with an answer in the *General Agreement on Terms and Procedures*, to which the Agreement on the Consultancy fund makes explicit reference. But this is not the case.

Division of responsibilities within the Embassy

A question which needs to be discussed is how to optimally divide the various tasks and formal responsibilities in implementing the Consultancy Fund among the concerned officers within the Swedish Embassy. Today this responsibility lies with the Economist, partly for traditional reasons, partly, presumably, also because some of the biggest sub-projects happen to be in the economist’s area of competence. The general principle must be that each officer assumes responsibility for the projects of his/her area of competence. Given that however, the Embassy should consider handing over the *overall* responsibility, including administration and financial follow-up, to an administrative officer or alternatively to an administrative assistant. Much of the work is of administrative nature and the situation today is that this work takes away too much valuable time from the Embassy’s economist.

Collective decision for International Training Programs offered by Sida

For participants from lower and lower-middle income countries – such as Mozambique – the participation fee as well as the cost of accommodation, in the international courses offered by Sida, is always covered by Sida (through the Swedish Institute), and in those cases the consultancy Fund is used only to cover the travel cost. As opposed to the other categories of Consultancy Fund uses, these courses are an activity where the Embassy does not have to intervene at all in order to make a judgement of the relevance of the course nor of the quality of the applicant. This is all done by the responsible Sida Department. In this connection the Embassy should take a policy decision if it wishes to finance the travel costs of all persons from Mozambique admitted to a course, or only to certain categories, or if it wishes to finance such travel costs on a selective basis as each individual application comes up. In any of these cases, however, the Embassy could each year, or as need arises, make a *collective decision* setting aside an appropriate ceiling amount for this type of travel costs, and subsequently each individual travel approved can then be simply drawn on that collective decision.

In terms of documentation needed for Minec and the Embassy to approve each individual application for a travel grant, all that would be required is that the participant – once he or she has received from Sida the final official note of acceptance into a course – forwards a copy of this to Minec and/or the Embassy along with his request. The request could be in the form of a very simple letter, e.g.

*“I hereby apply for a travel grant from the Swedish Consultancy Fund to be able to participate in the course xxxx, to which I have been admitted:
Enclosed please find proof of my admission to this course as well as proof of the scholarship covering participation fee and accommodation”.*

5. Recent reforms of consultancy funds by other Swedish embassies

So far the rules and principles governing the use of the Swedish consultancy funds have, in most of Sida’s program countries, undergone very little change in relation to the model which has reigned for the past 25 years. This is perhaps remarkable considering the freedom, which is today offered by Sida for each embassy to shape a fund according to its own perceived needs and wishes.

In a few of the countries the scope of sectors and purposes for which the funds can be used, have been narrowed down in recent years. Apparently a motive for this has been that the embassies felt that the consultancy funds have become an increasing administrative burden. But such a reform would seem to be a mixed blessing, for, by limiting its focus and concentrating it on “strategic” uses, inevitably one has then also lessened the flexibility of use, which the fund can offer.

The Namibia agreement

The Embassy in Namibia would seem to be the one, which has changed its consultancy fund the most. Significantly, it has explicitly introduced *Contract-Financed Technical Cooperation* (KTS) into the consultancy fund, and will today finance a wide range of services, but no equipment or running or operating costs. The eligible services are specified under the following five categories:

- Studies in strategic areas
- Direct employment of foreign experts
- Training activities
- Contract-Financed Technical Cooperation, and
- Economic cooperation through a “Rapid Response Mechanism”

The agreement specifies exactly how much of the total funds can be spent on each of these categories. This, in my opinion introduces an unnecessary restriction in the flexibility of being able to spend the money according how different needs develop over the agreement period. Therefore a more attractive option would have been to name *indicative* figures only.

Another disadvantage, in my opinion, is that the different categories also give rise to several sets of requirements with respect to administrative procedures: The agreement thus specifies *three* different procedures how *requests* should be processed; *three* different regimes for *disbursements*; *four* different sets of instructions regarding *procurement*, and *five* different variations of instructions on how *reporting* should be carried out. Even though the Namibia agreement is clearly and well written, this multitude of different rules may become confusing to any reader, even for the Embassy staff itself.

Obviously, a fund which allows many types of different uses, will also have to accept more than one variety of procedures. However, it should be possible to integrate the five different categories of uses to a larger extent than what has been attempted in the Namibian Fund. In any case, often the actual

differences between the different requirements are not very big. Therefore it is better to specify a *general rule* for each aspect of the implementation, which will apply to all the five categories, and then if need arises, point out individual differences between the categories by using footnotes.

Compared to all other embassies, the one in Namibia has come a long way in modernizing the consultancy fund agreement and making it a more modern tool of development cooperation. Even so however, in my opinion, the consultancy Fund could be made even more comprehensive and more flexible and therefore more usable. Furthermore, in its present form – the way it is structured - the agreement is too complicated to be readily understandable by all concerned parties, not least the many clients who are supposed to benefit from the fund.

6. Proposed new agreement

Scope and Focus

Taking account not only the wishes of the Embassy staff, but also the analysis and conclusions arrived at by this evaluation the two principles governing the future CF should in my opinion be:

- *Maximum flexibility, i.e. the fund should be able to do as much as possible, and*
- *Simplicity, or that the fund should cause a minimum of administrative work to the Embassy*

The proposal for a new, revised agreement elaborated below is thus guided by those two criteria.

Responsibilities of the respective parties

The Embassy does not see it realistic to relinquish control of the funds. Therefore the system in this respect will remain basically as it is today. However all the responsibilities on the two sides (publicizing, processing, administrating, coordinating, dialoguing/negotiating with the Swedish Embassy etc on part of Minec, and administrating, dialoguing and approving on part of the embassy) must be stated clearly and distinctly in the agreement. That is not the case today. In this sense the agreement with Mozambique is typical of most other agreements on consultancy funds between Sweden and its program countries. My review of all the agreements currently in force in the Sida program countries revealed that only in one, Tanzania, has it been specified clearly how the administrative burdens are to be shared between the Embassy on the one hand and the recipient government on the other. Also the agreement in Vietnam goes part of the way in providing clarity on the division of labor.

Agreement

If one is not prepared either to narrow down the scope of the use of funds, or to relinquish part of the control, then the only way how to ease the administrative burden of the Embassy is to *streamline, simplify, structure and create transparent rules within the existing system.*

The present agreement is unclear about the responsibilities: For instance the agreement simply states that “*Mozambique implements the fund*”, without specifying what this entails.

The reference to the General Agreement on terms and procedures is entirely unclear. Again, this is typical for all other countries.

The agreement should be short and clear, but also comprehensive and self contained. The latter means that it should explicitly contain everything which is important without referring the reader to other sources, which, by the way turn out not to be clear themselves. The current agreement with Mozambique makes reference to *the General Agreement on Terms and Procedures*, without this document actually having a text corresponding clearly to the reference made.

All contents in the agreement should be collected under the respective headings. In the current agreement the discipline in this respect is not good, as information of the same kind may be scattered over several different paragraphs.

Agreement between the governments of Sweden and Mozambique on Swedish support to a consultancy fund 2001–2003

(Draft proposal by Karlis Goppers November 13th 2000)

The Government of Sweden hereinafter referred to as Sweden) and the government of Mozambique (hereinafter referred to as Mozambique) have agreed as follows:

ARTICLE 1 OBJECTIVES OF THE AGREEMENT

The objectives of the fund are to

- (1) Facilitate planning, decision-making and follow-up activities related to development cooperation between Mozambique and Sweden;
- (2) help strengthen analytical, administrative and technical capabilities in the Mozambique Government in areas of relevance for the country's development, and to
- (3) provide financing for other, mainly short term, needs related broadly to Mozambique's development and Swedish–Mozambican economic and other cooperation, which are deemed important (by the two parties)

ARTICLE 2 THE SWEDISH CONTRIBUTION

Sweden shall support the implementation and monitoring of the fund as specified in this agreement within an amount of xx million SEK. The contribution shall be financed from the amount made available by Sweden to Mozambique in agreement on development cooperation

ARTICLE 3 UTILIZATION OF THE SWEDISH CONTRIBUTION

Scope

In general the use of the fund will be in the areas of cooperation indicated in Sweden's Country Strategy and Country Plan for Mozambique, but need not be limited to those sectors and areas.

Type of activities

The main activities financed by the fund will be

- (1) consultancy studies.

But also the following may be financed:

- (2) Participation of Mozambican government officers (and others ?) in international courses, seminars, conferences, workshops and other short term training or education.
- (3) Technical Assistance and economic or technical cooperation between a Mozambican and a Swedish partner along the model referred to as Contract-financed technical cooperation (In Swedish=*Kontraktsfinansierat Tekniskt Samarbete, KTS*)
- (4) "regular" projects, or other activities, which the parties deem to be important and/or urgent, and for which there is no other, readily available, suitable financing
- (5) Procurement of equipment (and goods)

The parties may agree to set indicative or hard expenditure limits to any or all of these categories.

Short term and flexible character of the fund

A main characteristic of the fund is to be flexible, which implies a restriction on the size and the length of each individual activity to be financed. Normally activities or procurements financed by the fund will be limited in amount, and short run in nature. However, when the parties consider this to be warranted – e.g. in the case of activities 3 and 4 above – it shall also be allowed to finance bigger amounts and more long term undertakings.

ARTICLE 4 ADMINISTRATIVE PROCEDURES AND RESPONSIBILITIES

The Government of Mozambique shall *implement* the Fund and provide all resources which are not referred to as being the obligation of Sweden according to this agreement, and which are necessary for efficient implementation. It undertakes to *publicize* to all relevant institutions the existence of the fund and the conditions for its use, and to *coordinate* among the other ministries and institutions of the Mozambique government all matters pertaining to the Fund, including the planning and selection of suitable project candidates, etc.

Proposals for activities to be financed from the Fund may emanate from, or be made by any of the parties to this agreement, or by other institutions and individuals in Sweden and in Mozambique. All proposals, together with the necessary background documentation, shall in the first instance be forwarded to MINEC for processing.

Documentation

Each proposal must be accompanied by full and clear documentation, the extent of which will be determined from case to case depending on the size and the nature of the activity. Among the standard information required are: the purpose of the activity, its relation to the ministry's objectives, the volume in terms of manpower, materials and cost. For applications regarding participation in courses, conferences and studies the following documentation is compulsory: (1) A one-page memorandum by MINEC analyzing and certifying how the proposed activity relates to a relevant government program, (2) Course program, (3) Invitation and proof of acceptance, (4) Financial statement showing the total cost and how much is requested from the Fund

Planning list and Quarterly meetings

MINEC will maintain a planning list, organized by category of activity according to article 3 above, which is updated weekly to show the current status of each proposal or application. Once every quarter Minec and the Embassy will meet in order to go through the list and discuss outstanding issues.

Forwarding of prioritized proposals to the Swedish Embassy

After MINEC has analyzed each proposal and ascertained that all necessary documentation, and of sufficient quality, is present, it will forward the proposal, with its written approval, to the Swedish Embassy.

The decision to finance

The Embassy will confirm that all necessary documentation is at hand and that it is an activity which is prioritized by the Mozambique government. If it decides to approve, a formal *written decision* will always be made. The decision document itself, or an accompanying *decision memorandum*, will always account for (1) the expected positive effects of the activity and other arguments in favor of the activity. (2) Formal reference will be made to crucial supporting documentation. (3) Specification will be made what type of monitoring and completion report will be required.

The length and depth of the decision document will depend on the size and the nature of the activity, and of the availability and quality of supporting documentation. In the case of financing

of conference and course participation the text can be very brief, perhaps half a page, if the documentation is satisfactory.

Collective decisions

With respect to the financing of travel costs for the international courses offered by Sida (and also conferences?) the Embassy, after consultation with MINEC, may choose to make a collective decision covering the planned need for this type of financing for the entire year. If that is the case the text accompanying every individual decision can be limited to a minimum. But the Embassy will still write a separate decision for each new case.

Procurement

All procurements financed by the Fund must follow sound principles of competitiveness. The rules are given in ARTICLE 4 of Annex 1, *Agreement on General Terms and Conditions for Development Cooperation between Sweden and Mozambique*, and in Annex 2 “Sida’s policy för projekt/programfinansierad upphandling av varor, anläggningar och tjänster i utvecklingssamarbetet”, dated 1998-12-02. For KTS projects there are specific rules, which are given in Annex 3: “Policy för bedömning av upphandling av tjänster och varor inom Kontraktsfinansierat tekniskt samarbete”, dated 19980930.

Disbursements

The rules and procedures for disbursements are described in Annex 1, *Agreement on general Terms and Conditions for Development Cooperation between Sweden and Mozambique*.

Completion report

Within three months after the completion of the activity financed from the Fund a project completion report must be authored by the person responsible, and submitted to MINEC, which will forward it also to the Embassy. The report will account for the outcome of the activity, how the results of the activity were applied in the program at question, and for the effects and impact that the activity has had or can be expected to have.

In addition to the above general rules, there are also specific rules and procedures governing KTS projects. These are enclosed as Annex 4: “*Handbok för Sida – Kontraktsfinansierat Tekniskt Samarbete*” (Guidelines for Contract-financed Technical Cooperation)

ARTICLE 5 AUDITS

Mozambique shall cooperate with and assist Sweden to perform audits, follow-ups and evaluation of the impact of the Fund. Costs of such activities shall be financed from the contribution if not financed by Mozambique. Mozambique shall provide Sweden with all other information regarding the fund that Sweden may reasonably request. The obligations of Mozambique according to this article shall apply also to support given by Sweden under previous agreements on Swedish support to the Fund. Irrespective of agreed reporting routines the parties shall promptly inform each other if a situation arises that makes it likely that (a part of) the Fund will not be implemented as agreed.

- Article 6** **Reference to other agreements**
- Article 7** **Conditions for the Swedish contribution**
- Article 8** **Closure of preceding agreement**
- Article 9** **Delegation of powers**
- Article 10** **Entry into force and termination**

Comments

The name of the fund

The name which best captures the actual purpose of this fund would be something like: “*Contingency fund for development cooperation between Sweden and Mozambique*”. To use the name *Strategy* or *Planning* Fund, as several other embassies have recently done, may sound fancy, but would not come closer to describing the actual character of the fund than does the traditional word *Consultancy* fund. In any case, I do not see it to be a very important issue to change the name. The name *Consultancy* fund has long since been established and is today well known and also respected. Furthermore, I believe most people concerned have probably realized by now that the Fund can also be used for other things than just consultancy.

Duration of agreement

A three year agreement is proposed. If one has arrived at constructing an agreement which satisfies the Embassy’s needs, there is no reason why one should opt for a shorter agreement, as this will only increase the work-load.

ARTICLE 1.

Objective 1 and 2 remain the same from the existing agreement, except that the word *analytical* has been introduced in objective 2. This is a needed adaptation to the actual reality, since many of the conferences and courses financed today deal with strengthening the analytical skills just as much as merely administrative and technical skills.

A third objective has been added in order to broaden the Fund’s mandate to finance also other items/activities than the ones referred to in 1 and 2. “Economic and other cooperation” is mentioned in order to point out that activities financed under the Fund could also refer to other areas than development cooperation, e.g. trade, investments, cultural cooperation etc. To make the objective of the fund more general, the three specific objectives could of course also be replaced by just *one*, generally worded objective.

ARTICLE 3

Every piece of information that deals with the utilization of the Fund should be gathered under one heading, not as today under several.

Scope

The intention is that there should be the broadest, i.e. freest, use of funds possible. Reference to Sweden’s strategy document is made in order to point out that the parties expect the bulk of the expenditures to fall within that area. However the scope of the fund could be specified to be much wider, so as to explicitly also encompass trade and other commercial, financial and economic activities.

Type of activities

Alternatively, – instead of specifying 5 different categories – one could simply write something like: “*The Fund will be used to finance services and equipment procured in pursuit of the objectives stated in Article 1*”. But I think it is probably better to specify the main envisaged types explicitly.

An option to consider is to provide a brief description of each category, like in the Namibia agreement Article 4. The information is not strictly needed – because it is self-evident (except perhaps in the case of KTS) – but it could still be of value for some readers. In the case of KTS, one would in any case be obliged to refer the reader onwards to the separate rules and regulations governing KTS.

An option for the Embassy could be to add also a 5th and a 6th category, namely “*Direct Employment of foreign experts*”, RRM, and “*Rapid Response Mechanism*”, respectively, as the Embassy in Namibia has done. However, one may argue that these two categories are, at least implicitly, sub-sumed under the five categories listed. On the other hand, they *could* also be interpreted as two activities currently *not* covered by the agreement, and then the Embassy of course first needs to decide whether it wants them to be allowed in or not.

Short term and flexible character of the fund

This text I believe Sida’s legal department could phrase in a more legalistic manner.

ARTICLE 4

My ambition has been to write the rules and regulations in a general way so that they will cover the requirements for all of the six activities included in Article 2 (Consultancy studies, international courses, Technical Assistance, *KTS*, “regular” projects, and Procurement of equipment). In addition there may be a need for specific rules for some of them, e.g. *KTS*. This would be put in the Annex.

I have here attempted to contain all the rules and regulations within the Articles of the agreement itself. It is of course an option to take all or some of it out and present it in an Annex. For reasons of clarity and simplicity, in principle, I favor keeping it *inside* the agreement, but this is of course an option which is attractive only as long as the text does not become overly lengthy and loaded with non-specific recommendations and routines. If that happens, it is probably better to put it in the Annex. However, the problem with that alternative then is to determine which of the (more over-riding) rules and regulations will be kept inside the agreement, and which (elaborations in more detail) will be kept in the Annex. If a delicate balance is not struck, such a division may risk to confuse the reader. As a general rule, I am convinced that it is always easier for the reader to have only one document to be guided by, rather than two.

Procurement

Alternatively, the main rules could be described in the agreement, and the specific details in the Annex. According to the Sida-decision of 1998-12-02 (“att-sats” number 3) the decision has also been translated into English. A curiosity to note is that the current agreement does not even mention the word “procurement”. As was accounted for above, the whole question of Sida’s procurement rules are now in a “state of limbo”, following the massive critique against Sida recently forwarded by RRV, the Swedish Inspection Agency.

Disbursements

Again, one may here choose to provide a brief description of the main principles and rules of procurement, and leave the bulk to the Annex.

Cost-sharing principles

This is an aspect not included in the proposal above, but which is part of the new Namibia agreement (Article 5.3). Possibly the Embassy wishes to include this aspect. If it decides to so, then the contents must be more specific however than is the case in the Namibia agreement, which does not really say anything at all regarding the concrete cost sharing rules to be applied in each category of financing under the Fund.

ARTICLES 6 THROUGH 10

All the texts of articles 6 through 10, I believe, can be the same as in the current agreement. The Embassy must, however, check with Sida’s legal department to confirm that all of the articles need in fact be included.

V LESSONS LEARNED

A consultancy fund, if used properly and responsibly, can become an accepted and respected instrument, allowing the donor to intervene rapidly, with a minimum of bureaucracy, in short run support of activities deemed to be important and urgent by the donor and the recipient country.

A risk with keeping bigger projects in the Fund for a long time is that they will tend to be less actively followed up and possible also excluded from the regular dialogue between the government and the relevant Sida sector division.

VI RECOMMENDATIONS

The embassy should discuss the proposal for a revised consultancy Fund Agreement with Sida's lawyers in order to sharpen it with respect to legal formulation, then negotiate it with the Mozambican government with a view to replacing the current agreement with this new one.

Annex 1

Case Studies

I will here briefly review the 11 projects amounting to at least SEK 1 million – one from the previous Fund and 10 from the present one – in order to assess their outcomes and achievement of targets and objectives.

In terms of the totally available money from the present fund we will then be accounting for 30,565,000 out of a total of 38 million, i.e. 80% of total funds.

1. The Statistics twinning project at the Ministry of Finance (From the first fund): SEK 14 million

The Swedish consultancy firm *Statistics Sweden (SCB)* was contracted after winning an international tender, where strong competition was offered by among others Italy and Portugal. This was an open tender administered by the World Bank, and the fact that SCB won had apparently nothing to do with the prospective Swedish financing. The procurement of SCB's services was made in 1997, and then also the contract between SCB and the government's Statistical institute INE was signed. SCB today has full time experts stationed in Mozambique in the following three areas: Economic statistics, Demographic/ social statistics and horizontal functions (IT-coordination, etc.). Within the program also equipment for INE has been purchased, but the Swedish contribution of 14 MSEK is only used for salaries and equipment used by SCB itself. At present NORAD, Sida and Danida together are considering an extended support to INE for the years 2001–2005.

This project has at present reached half point of a 5 year implementation plan running from 1998 through 2003, so there is really little which can be said regarding outputs, effects and impacts from an ex post evaluation viewpoint. The consultant SCB puts out quarterly as well as yearly implementation or progress reports, but there has been no independent follow up or mid-term evaluation of this project.

In May 2000 the World Bank published a so called *Implementation Completion Report* for the *Industrial Enterprise Restructuring Project*, of which the statistics project forms part. Of the report's 25 pages only 6 lines are devoted to the statistics project, stating that “*with the technical training and logistical support it received under the project, INE continues to strengthen its institution and build its reputation as a reliable provider of statistical data*”. It is not clear on what data and what analysis the Bank bases this judgement. According to the consultant no mission or other representative from the World Bank has ever visited the statistics project. This of course means that the World Bank cannot have been exercising an active supervision, contrary to what has been assumed by the Swedish Embassy and Sida. This is remarkable in view of that the Bank, at the outset of the project, insisted that 5% or US\$ 100,000 from the Swedish contribution be set aside for the Bank's supervision of the project. In an electronic letter to the Embassy, dated January 27th 1997, the Bank's responsible program officer states that with “this (i.e. the Swedish supervision money) *we can do some more interesting and innovative things much more quickly than what we otherwise could do*”.

A debriefing note, dated September 28, 2000, from a Nordic mission regarding possible continued Nordic support to INE, stated among other things:

“The process (at INE) is still quite fragile and might well be seriously damaged if left solely with g Government provided resources and ad hoc donor contributions”;

“It is .. the assessment of the mission that unless the number of staff is increased according to the five year plan, INE will remain dependent on external consultants in the area of methodological development”;

“In the area of economic statistics, the system of national accounts has advance quite far on the conceptual level, but considerable work remains for implementation of a proper system, The basic features might be in place in two or three years. Technical support is crucial if the current and planned activities are to be conducted”

The SCB consultant is of the opinion that the project was too optimistic at the beginning believing that INE could be made self sufficient in 5 years time. Today it looks as if (at least) 10 years is a more realistic estimate. This is also a point raised by DESO, which in 1996 was asked by the Embassy to give its opinion on the Statistics project proposal. DESO at that time was also critical against the fact that the recipient government was asked to come up with only five % of the total project cost. DESO also foresaw INE's acute difficulty of recruiting and keeping competent staff.

In the beginning there was very low absorptive capacity at INE. The first year of the project was lost because of delays in the social sector statistics. Apart from the central INE office in Maputo, there are also 10 provincial offices. Some donors seem to still think that the present, as well as the new project being planned, are too ambitions, because there is still not enough absorptive capacity in the Mozambican Government. There is still some doubling of statistics production – regarding primarily income and price statistics – taking place between the country's Central bank and INE

According to the local World Bank office in Maputo “now one can really see the change for the good in the statistics project”. However, INE has a difficulty of keeping people.

SCB mounts about 10 short term missions a year to Mozambique as part of the twinning arrangement, each mission consisting of one person and lasting about three weeks. Each mission will have a very clear t.o.r. and there will always be a counterpart at hand. In the consultants opinion clear results can be seen “on the ground” after each such mission.

Conclusion

Based on the above, rather scattered, information, we could perhaps venture to summarize the project's outcome and its prospects thus: It is basically a sound and relevant project. At *output* level most things seem to be accomplished according to plan. Regarding the *effects* and *impact* levels there is no information which would suggest that it would not be possible to reach planned targets, even if it seems clear that it will take substantially longer time than originally thought. The project is also still far away from perceiving a situation where *sustainability* would prevail.

At the *implementation* level it would seem that the donor has been somewhat passive. In a sense the project has fallen between chairs. Being financed from the consultancy fund there was no Sida sector department to assume responsibility for follow-up. This had to be done by the Embassy itself. However since this was a trust fund arrangement with the World Bank, the Embassy – rightly – relinquished the project supervision task to the Bank, which however, apparently, this time, has not lived up to its assumed duties.

2. Rehabilitation of printing machines: SEK 1,320,000

The project

The Embassy's justification for using the consultancy fund for this support to the Noticias newspaper is that it is a follow-up to a support given in 1990, when three SOLNA printing presses were pur-

chased with a tied Swedish import grant. One of the presses was damaged in the harbor when unloaded from the ship, and has laid there without being used ever since. In the meantime the remaining two presses, which have been used without any maintenance and trained personnel, have become worn out and are in need of rehabilitation. Therefore the idea came up to use Swedish Consultancy Fund to repair the damaged press, and at the same time rehabilitate the two other presses. Also some technical assistance would be included by way of on-the-job training etc. There was also discussion of making a feasibility study on Noticias future. Sweden thought, however, that such a feasibility must include an analysis of the option to privatize the newspaper. This is not something, however, that the Mozambique authorities were interested in, and for that reason the study never went ahead.

According to the newspaper's manager the printing office is today gravely under-utilized, only used for two hours each day. The presses had originally been bought with the intention of not only printing the Noticias, but also to print the entire required supply of schoolbooks for Mozambique. Instead schoolbooks are today supplied by a tied Canadian import support grant, whereby books are printed and bound in Canada and shipped to Mozambique

Project outcome

Noticias is not satisfied with the performance of the consultant Graphium, which, according to Noticias' manager, failed to put the three presses in line. Apparently the reason for this failure was that a control panel or some other strategic equipment/spare part arrived to Mozambique only after the consultant had left the country. It was not possible to establish whose fault this was, as we do not know if it was it up to Noticias to ensure that all spare parts were at hand at a certain pre-agreed time when the consultant was to perform his duties. Or was the responsibility Graphium's?

In any case today all three presses, both the two existing ones, which have been in use for several years, and the third one, which had been lying damaged in the harbor without use, have been repaired and are functioning each one by itself. All three machines are running and changes/replacements have been effectuated with respect to the principal spare parts. But they have not been connected *in line*, something which is required if they want to be able to print 12 pages simultaneously. The alternative is to print 8+4 pages and then fold the 4 pages manually into the 8 pages, which is being done today. Some additional parts also need to be changed, but for this there is no more funds available, at least not from the grant from the Swedish Consultancy Fund. The Consultant Graphium has used up all the allocated funds, but, in the Noticias manager's opinion, has not yet completed the agreed tasks.

Plans for new investment

Noticias board has recently decided to buy a new printing line which can handle four color printing and has given British Crown agents an assignment to manage the bid. The expected price is in the range of 1,2 to 1,5 million US\$. According to the manager the newspaper first investigated whether and how this could be achieved with the existing machines, and turned therefore to SOLNA. SOLNA offered a solution, involving the addition of one printing machine to the existing line. This was however, not a solution which satisfied Noticias, who therefore decided to go ahead and purchase an entirely new line. In order to print in four colors one has to interconnect 3 or 4 presses, depending on which technology is used.

Noticias asked the crown Agents that SOLNA should be among the potential bidders invited to be on the short list. According to the interviewed manager Noticias now fears that SOLNA will win and that they will send Graphium to take care of the installation, something the manager claims the newspaper does not want.

It would seem that possibly the real reason for Notícias wish to purchase new equipment is not the alleged failure on part of Graphium to connect the three machines in line, but that the newspaper discovered – *after* Sida had allocated funds for the refurbishment of the existing machines – that they wanted to be able to print in four colors.

The manager could not specify how this new purchase would be financed. Apparently there is no foreign donor that has offered to finance it. The manager hinted that the government could borrow the money from a bank, but could not say how such a loan would be guaranteed. The newspaper wants to sell the existing equipment, and is confident that this can be done. According to the manager there are agents which have already made offers to handle the sales. He assumed that it would be sold abroad.

The Embassy had not been informed about Notícias intention to purchase a new printing line, and that Notícias had contracted the Crown Agents in London to carry out a competitive bidding procedure to that end. The Embassy's Councillor for Development believes that one problem with the existing presses is that the offset matrixes are worn out. If these were replaced maybe it would be possible to run four color printing on the existing machines.

In the Embassy's opinion the government should give the printing office a legal status independent from the newspaper, which would allow it to contract printing jobs from the country's entire market for books, magazines, newspapers and all other printed material. Then the printing office would be able to stand on its own feet financially, and the newspaper probably also able to finance the purchase of a new line of printing presses, which can handle 4-color printing. It is the Government's political party *Frelimo* which owns the Notícias. It is not clear if the newspaper is to be seen as government newspaper or an independent one. According to the manager the government owns shares, but he was not willing or able to state how many of the shares belong to the government.

Conclusion

In my opinion it must be very uncertain whether used equipment of this kind could be sold in the open market at a reasonable price. As things stand today, the outcome and success of the Swedish decision to finance the refurbishment, id est whether or not it was meaningful to undertake the repair work, will depend on whether or not the machines can be profitably sold. *If* the machines are sold, and new ones purchased – can the repair work carried out be seen as a condition of being able to sell the used equipment? And, further is the price fetched by this sale higher (by at least the amount of the cost of the repair work, i.e. 1,2 million SEK) than the expected price without refurbishment having been made?

Before those questions are answered we are not really able to judge the outcome of the project.

We know that the *output* level has been attained, but not if it is yet complete. As long as the existing machines have not been connected into one line, or sold at a profitable price, there is no positive outcome at effects level.

3. Technical assistance to the National Demining Commission: SEK 1,050,000

This contribution was in support of an extension of a technical assistance support to the Governments *demining commission* created by UNDP in 1995. The Embassy's decision document also points out that the contribution "*should be seen in the context of the overall Swedish support to Demining and related activities in Mozambique*". The first part of the UNDP project was evaluated in December 1997. The evaluation concluded that the commission had played an important role, that the UNDP support had been delayed, that the flow of information was deficient, and that donor expectations had

been overoptimistic. From other sources we know that the commission is said to be heavily inflected with corruption. For this reason the consultants employed were paid directly by UNDP, not by the commission.

More recently, in June 1999 – about half a year after the Embassy decided on its contribution from the Consultancy Fund – a United Nations formulation support mission characterized the conditions in the National Demining Commission thus: *“the funding and the management systems contain differing mechanisms that are generally inconsistent, confusing and unwieldy.... Few of the current processes guarantee that the most urgent or important needs are being met in a prioritized fashion nor that limited public funds are being used in the most efficient and effective manner”*.

Conclusion

Based on the above, very scant, information we can conclude that this is *not* an easy project to work with, and that the risks are great that the targets in terms of output and effects/impact will not be reached. At the same time we know that this is a very urgent task which must be addressed. It is literally a matter of life and death for parts of the population. And one can therefore not conclude that it was a bad decision on part of the embassy to support this project.

4. Feasibility study for the Lichinga transmission line: SEK 900.000

This feasibility study concerns a proposed transmission line in the northern province Niassa, which Sweden and Norway have promised to finance – provided the feasibility study is positive. Since Sweden has decided to leave the energy sector in Mozambique, its envisaged financing of the investment of the transmission line will be justified by its massive regional involvement in the (integrated) development effort in the Niassa province. The decision to finance the feasibility study follows logically from the fact that it concerns a prospective Swedish project.

Competitive bidding was carried out to recruit the consultant, which the Swedish firm Swedpower won over three other bidders.

The feasibility study, which took six months to prepare, was completed in May 2000. EDM claims to be quite satisfied not only with the study's conclusion, which are to recommend that the project be realized, but also with the quality of the study. This is not surprising given that EDM has worked with Swedpower in various different projects since 1979.

EDM is today eagerly waiting for Sida and Norad to process the feasibility study, hoping that EDM will be allowed to use the Swedish Consultancy Fund also for phases 2 and 3.

Sida has subjected the feasibility study to an appraisal, which was carried out by another Swedish consultant. This appraisal found the study to be well carried out and that there is every reason for Sida to go ahead with its support of the investment itself. Stages 2 and 3, which are to prepare the tender documents, tender evaluations, and to assist EDM in the contract negotiations, will be financed out of the project cost itself, and will start when the formal decision to go ahead with the project has been taken. Envisaged financing is Norway SEK 150 million, Sweden SEK 120 million and the Nordic Development Fund SEK 60 million

Conclusion

From the facts at hand there is little doubt that not only was the feasibility study a very relevant use of the consultancy fund, but also that the outcome of this project (i.e. the feasibility study) is positive because the output is in deed put to a useful end.

5. Zambesi bridge feasibility study: MSEK 1,6

In October 1998 Sida received a financing request covering the whole range from feasibility study to construction and construction supervision. As a first step the Embassy decided to use the Consultancy Fund to finance a feasibility study. Based on the conclusions of that study Sida is of the opinion that a bridge over the Zambesi river *cannot* be justified in view of the small volume of traffic which can potentially use the bridge. Sida does however acknowledge that a bridge would have a very important psychological and symbolic value. At present Sida and others are studying other cheaper alternatives, e.g. a ferry.

The feasibility report in its first version was in Sida opinion somewhat thin. After Sida had provided comments emanating from another consultant paid to analyze the draft, the feasibility was expanded and improved. Subsequently it has served its purpose well, and we conclude therefore that the embassy's objective in financing this study have been achieved.

6. Study on road repair: SEK 1,5 million

It was not possible to obtain any documentation on this sub-project. However we have been told that the study was carried out according to plan, and that it was also used as an input in the further decision-making regarding the rehabilitation the Nyerere avenue. Taking this information at face value we would conclude that the objective with respect to this sub-project would seem to have been achieved.

7. Technical assistance in the energy sector: MSEK 8

This is a technical assistance project amounting to a total of SEK 10 million, of which Sida finances 8. It is a clear example of so called KTS cooperation, where Sida decides to finance a contract entered into by one Mozambican and one Swedish partner, and where the partners themselves assume financial responsibility for part of the contract. The reason it was financed from the Consultancy Fund was discussed above, namely that it is a so called phasing out support given that Sida has decided to withdraw from the energy sector.

In the past Sida has supported EDM in different forms for many years. During 1975–1991, SEK 180 million were given to finance among other things a gas turbine in Beira. During the 1990s there was a sector support amounting to a total of SEK 120 million, and SEK 80 million support for the transmission line Cabora Bassa-Zimbabwe. In 1997–2000 an additional 90 MSEK was given in sector support. Finally, if Sweden and Norway decide to go ahead with the Lichinga transmission line, there will likely be a Swedish SEK 120 million in grant or soft credit form. Even though Sida has cooperated with EDM for over 20 years no evaluation has ever been made of this cooperation. At present one is however being prepared.

Conclusion

The present project started only in April 2000, so it is obviously too early to start looking for outcomes whether at the outputs, effects or impact level. EDM has cooperated with Swedpower many times since 1979, and some of these instances of cooperation has been on commercial terms. We can therefore assume that EDM is content with Swedpower, and the reason for its satisfaction is presumably because Swedpower is doing a good job. We therefore have reason to be optimistic with respect to the chances that the *output* in this project will be delivered according to plan, and also that there may be a positive outcome both at the effects and impact levels.

8. Rescue helicopter missions: SEK 2 million

Through this project Sweden – together with Great Britain and Holland – financed a part of the helicopter rescue missions of flooding victims carried out by South Africa. It was an urgent life saving mission, which obviously had a different set of targets and objectives than regular development projects. Above we have made note of the fact that this was a use of funds *not* in accordance with the wording of the agreement on the Consultancy Fund. The Embassy, with Sida headquarter's formal approval, decided to make use of the Consultancy Fund because it was the only source of financing available, at the time, on short notice for this important purpose. According to the information available the missions were carried out according to plan, and we can thus conclude that it was funds well spent.

9. Technical cooperation telecommunications sector: SEK 3 million

This was a KTS contract between TDM (the government's telecommunications authority) and Swedtel, which Sida decided to finance. In accordance with the KTS principles the parties themselves financed a part of the total cost, in this case reportedly as much as 50%. Previously the Swedish Consultancy Funds had been used in 1991–93 in support of similar activities at TDM. The justification for the current support was that this was a “post-care” cooperation following a previous Swedish engagement in the telecommunications sector. Sida's decision memo for this project was not entirely satisfactory as it, among other things, failed to specify exactly what the Swedish money was supposed to finance. (It may however be that there has been a separate decision memorandum, which has subsequently gotten lost in the files).

We have no independent information available about this project, only a final report submitted by TDM itself. According to this the technical assistance achieved all of its planned goals. Also the Embassy's responsible program officer is mainly satisfied with the project's outcome

10. Institutional support to a macroeconomic unit in Ministry of Finance: SEK 11,4 million

The justification for and the origins of this project were discussed above. Of all the 45 sub-projects of the current Swedish Consultancy Fund this is the only one which has been subjected to an independent evaluation, undertaken in the autumn of 1999.

The evaluation team found that

“The project was not donor driven or the result of outside pressure. It was established as a result of a well defined need on part of the Mozambican government. The government expresses strong ownership in the project and is committed to maintaining the role of the advisory unit”

The team further found that the unit has

“contributed to a number of very important processes in the conduct of economic policy in Mozambique. The improvements in policy formulation is already recognized by the donor community. The unit has adapted to changing needs and responded quickly.... The work carried out has been of high quality and delivered timely”.

The evaluators also found, however, that

“The main weakness of the project is clearly the lack of capacity building and training achievements. There are two important reasons for this. The first is the lacking ability to recruit new staff. The second is the ad hoc nature of much of the work...

...Output has been a series of single research documents, not a cost effective and structured regular production of economic policy documents that could involve and train more regular ministry staff”...

The number and qualifications of Mozambican staff in the unit have fallen significantly short of the planned numbers when the project was initiated.”

The evaluators recommend that the financial support to the unit be continued, but that further support should be made contingent upon an improved follow-up of the original intention of the project, which was to build a lasting capacity.

Conclusion

Based on the above analysis I can conclude that regarding all there levels – output, effect and impact – some of the objectives were in deed attained, while others (namely the ones having to do with capacity building) were not attained. The *relevance* of the project is obviously very high, while the *sustainability* so far must be judged to be low given the fact that the project has not been successful in its capacity building efforts.

11. Pre-feasibility and other studies regarding provincial support: SEK 2,799,000

A whole series of studies pertaining to the preparation of the planned massive Swedish regional support to the Niassa province were financed from the consultancy funds under this heading. In the files I have found eight different decisions, which together however only account for SEK 830,000. According to disbursement figures available only about SEK 1,4 million of the allocated SEK 2,8 million have been used so far. This means that there should be more decisions corresponding to some SEK 500,000, currently missing from the file.

No documentation about this use of the Consultancy Fund was readily available in the Embassy files, and shortage of time prevented active search for additional documentation or additional interviews regarding this sub-project.

Even with this total lack of information regarding the outcomes of these sub-projects, and given that we have not heard anything negative, we can in general expect that the studies were completed according to plan and that they served their purpose, since the Swedish-funded program in Niassa has been going forward.

Annex 2

Terms of Reference

Swedish Embassy, Maputo 2000-03-06

Maude Svensson

Diarienummer:

U11YMo1.6.3/2

Terms of reference for a study of Swedish support to the consultancy fund, Mozambique

1 Background

Swedish support to the Consultancy Fund in Mozambique commenced already in 1976. Even though the focus of the support has changed during the years, the main purpose of the Fund is still to function as a flexible instrument for financing consultancy services or studies. The present agreement, which was signed in February 1997 and prolonged in December 1999, stipulates that "The Fund is to be used for consultancy and related activities, and for training of personnel from Mozambique. The main objectives of the Fund are to facilitate planning, decision-making and follow-up activities related to development co-operation between the two countries, as well as to help strengthen administrative and technical capabilities in areas of relevance for the economic and social development of Mozambique."

Increasingly, the administration of the Fund has become more and more cumbersome. Furthermore, it is an open question whether the Fund shall continue to contain the large variety of activities it has supported so far. For that reason, it is proposed that this study will provide the Embassy of Sweden and the Ministry of Foreign Affairs and Co-operation in Mozambique with concrete recommendations and advise on how to simplify administrative procedures for making the support more cost-effective, as well as provide a basis for updated guidelines and agreement. A large variety of activities have been financed within the present agreement, which expires in June 2000. The support for building up capacity for economic policy advice at the Ministry of Planning and Finance is the single largest activity both in terms of costs and duration. This project was evaluated during the autumn 1999. Other larger projects/studies within the Fund are the strategic support to telecommunications (TDM), repairs and installments of printing machines to the newspaper "Noticias", consultancy assistance to the National Mine Clearance Commission, as well as feasibility studies for the Niassa program, a transmission line in Niassa, a bridge over the Zambesi river and rehabilitation of one of the main roads of Maputo. The above mentioned larger projects/studies amount to about 22 million SEK in total.

About 2 million SEK has been utilized for less extensive activities such as study trips, training and courses, seminars and congresses.

There is still about 4 million SEK unutilized within the fund.

The main important stakeholders are various ministries and other governmental institutions (see section above on large projects within the Fund), individual civil servants who benefit from study trips and courses, as well as contracted consultants.

2 Purpose and Scope of the Study

Sida normally assesses its support with regard to quality, relevance and impact in relation to the development aims targeted for the assistance. However, it appears that the support to the Consultancy Fund in Mozambique has never been evaluated.

The purpose of this study is to assess the relevance and cost-effectiveness of the present variety of activities within the Fund. The study is supposed to produce concrete recommendations and advise on how to simplify administrative, as well as provide a basis for updated guidelines and agreement.

The study is proposed to take place during the spring of 2000, and will constitute an important input for designing new guidelines and an agreement for the Fund. For that reason, it is of utmost importance that the study is forward-looking and practical. The report shall be divided into two parts; one part which draws conclusions and lessons learned from the experience of the past agreement(s), and one part which includes draft proposals for a new agreement and new guidelines for the continuation of the support. The consultant shall make recommendations on activities as well as reporting, disbursements, implementation and monitoring procedures.

In particular, it is expected that the new agreement will also include support for Contract-Financed Technical Co-operation (KTS)⁹. For that reason, the amount which is allocated from the Country Frame to the Fund ought to increase. The consultant shall propose if, how, and why the Fund shall be extended to include also KTS. The motivation for including KTS must be clear from the report, as well as recommendations on administrative procedures for implementation and monitoring KTS.

The study will be conducted in close co-operation with the Ministry of Foreign Affairs and Co-operation, the Embassy of Sweden in Maputo, the Ministry of Planning and Finance, and Sida headquarters (notably UTV, POLICY and AFRA).

3 The Assignment (issues to be covered in the study)

The assignment shall include but not necessarily be limited to:

Relevance, objectives and activities

The study shall discuss the extent to which the activities within the Fund have progressed in relation to the objectives that are stipulated in the Specific Agreement and the Guidelines. Also, the consultant should assess the concept and design of the Fund, including an assessment of the relevance of the objectives and activities within the present guidelines and agreement. This may be evaluated in terms of whether national issues are addressed and whether the activities are relevant for solving the problems identified. The coherence between objectives in the Specific Agreement and in the Guidelines shall be analyzed with the view of elaborating proposals for consistent objectives and activities in new guidelines and agreement.

The consultant shall also assess if there are important areas of competence that are not covered in the present arrangements, notably Contract-Financed Technical Co-operation (KTS). In this connection, the consultant may also discuss positive as well as negative approaches, methods and modalities of KTS.

The relevance of present Fund administrative procedures, including reporting, disbursement and other implementing procedures ought to be assessed.

Cost-effectiveness

This should be assessed in terms of impact and sustainability versus administrative costs. In this respect, both administration costs for the Swedish as well as the Mozambican sides should be taken

⁹ Please see Swedish Government Decision dated 1998-12-12

into account. Furthermore, these administrative costs should be compared with corresponding costs for other forms of development assistance. The role of Sida, the Embassy of Sweden and the Ministry of Foreign Affairs and Co-operation shall be assessed; would different administrative procedures increase the efficiency and impact of the Fund? The consultant should also assess whether the administrative procedures are effective for promoting a transparent and non-corruptive behavior.

The following aspects may be taken into account for judging cost-effectiveness:

- The outputs. The consultant will investigate some activities in order to assess their quality and administrative costs.
- The effect on target institutions that the activities aim at. Any unintended effects should be enumerated. It is important to mention the extent to which women have benefited and how.
- The appropriateness of the design of the guidelines and agreements for producing cost-effective results. Identify any factors that impede the results or output.

Lessons learned and recommendations for a possible continuation of the Fund

The implications of the activities in the past support should be translated into whether there exist a need for a Consultancy Fund in the future. If so, which activities should be supported? What are the operational and the strategically lessons learned from the past support? How should the future support be most effectively designed? The consultant should draft new guidelines and an agreement for a future support.

4 Methodology, Consultant and Time Schedule

The study shall be based on information already available and discussions with relevant parties. The guidelines, agreement and financial records may be thoroughly investigated, as well as all other relevant project documentation. Sida officials which are responsible for administration of the Fund, both at the Sida headquarters in Stockholm and at the Embassy of Sweden in Maputo shall participate in discussions with the consultant. Former as well as present responsible officers and the vice-minister of the Ministry of Foreign Affairs and Co-operation shall also be interviewed. Other stakeholders such as consultants, students and representatives from governmental ministries and institutions, as well as relevant personnel at administrative departments at Sida's headquarters (such as UTV, POLICY and JUR) may also participate in discussions.

It is desirable that the consultant is either a public sector economist or an institutional specialist with some knowledge of book-keeping and accounting procedures. Furthermore, prior knowledge of administration of Consultancy Funds in any of Sida's co-operation countries is highly valued. The findings will be presented in a report as well as on seminars and/or workshops in Maputo and Stockholm. The economist at the Embassy of Sweden in Maputo will act as resource person. The mission will take place in Mozambique during 2–3 weeks not later than 31 May 2000. The total length of the assignment is estimated to 4 weeks full time work.

5 Reporting

The findings will be presented in a report as well as on seminars and/or workshops in Maputo and Stockholm.

The report shall be written in English and should not exceed 30 pages, excluding annexes. Format and outline of the report shall follow the guidelines in *Sida Evaluation Report – a Standardized Format* (see Annex 1). An Aide-Memoire will be prepared and presented to the Government and the

Embassy of Sweden before the consultant's departure from Mozambique. A draft report shall be forwarded to the Government, the Embassy of Sweden and relevant departments at Sida headquarters for written comments not later than two weeks after the mission's departure from Mozambique. The draft report will include proposed revisions of guidelines and agreement.

The final report shall be mailed within 2 weeks after receiving comments or not later than 4 weeks after the mission's departure from Mozambique. To the extent it is deemed relevant and necessary, more detailed analyses and descriptions should be provided in technical annexes to the report. Subject to decision by Sida, the report will be published and distributed as a publication within the Sida Evaluations series. The report shall be written in Word 6.0 for Windows (or in a compatible format) and should be presented in a way that enables publication without further editing.

The assignment includes the production of a Newsletter summary following the guidelines in Sida Evaluations Newsletter – Guidelines for Evaluation Managers and Consultants (Annex 2) and also the completion of Sida Evaluations Data Work Sheet (Annex 3). The separate summary and a completed Data Work Sheet shall be submitted to Sida along with the (final) draft report.

Appendices 1, 2 and 3 are retrievable from 'Sida-mallar/Sida Evaluations.

Appendices to the Terms of Reference:

1. Guidelines to Sida Evaluation Report – a Standardized Format.
2. Guidelines for Sida Evaluations Newsletter – Guidelines for Evaluation Managers and Consultants
1. Sida Evaluations Data Work Sheet
2. Riktlinjer för personal- och konsultfond, beslut 311/86
3. Specific Agreement between the Government of Sweden and the Government of Mozambique on Swedish Support to the Consultancy Fund 1997–1999
4. Country Strategy, Mozambique 1996-2001, inclusive amendment dated 1998-12-22
5. Handbok för Sida “Kontraktsfinansierat tekniskt samarbete”
6. Regeringsbeslut daterat 1998-12-22

Annex 3

Persons Interviewed

Acknowledgement

I am grateful to the below listed persons for agreeing to interviews and for sharing their time and knowledge.

Swedish Embassy

O'Donnel, Lena	Administrator
Svensson, Calle	Counselor Development Cooperation
Svensson, Maude	First Secretary, Economist
Werner, Gösta	Program Manager
Åberg, Erik	Ambassador

Government of Mozambique

Andersson, Arve	Director Distribution, Swedpower, Maputo
Andersson, Per-Åke	Gabinete de Estudos, Ministry of Finance
Archondo, Sherri	Program Officer, The World Bank, Maputo
Dava, Bento G.	Director General, Noticias newspaper
Fernandes, Ernesto	Executive Board Member, Electricidade de Mozambique, EDM
Forquilha, Samuel	Investment Promotion Center, CPI
Lichale, Fernanda	Directora Nacional, Ministry of Foreign Affairs and Cooperation
Nilsson, Bernt	Managing Director, Teleconsultores
Rodrigues Jose', Antonio	Head of Section, Ministry of Foreign Affairs and Cooperation
Rodrigues, Frances	Deputy Minister, Ministry of Foreign Affairs and Cooperation
Yttergren, Bo	Acting Project Coordinator, Instituto Nacional de Estatistica

Swedish International Development Cooperation Agency, Sida

Dyrssen, Hallgerd	Department for Democracy and Social Development, Division for Democratic Governance, Deputy Head
Egerö, Samuel	Program Manager, Asia Department
Ekman, Bengt	Chief Controller
House, Boel	Sida Archives
Jansson, Annicka	Department for Infrastructure and Economic Cooperation, Chief of Division for Technical cooperation
Jansson, Lars-Olof	Program Manager, Africa Department
Johnston, Anton	Department for Democracy and Social Development, Division for Democratic Governance, Deputy Head
Liljesson, Lars	Department for Infrastructure and Economic Cooperation, Deputy Head of Department
Ottosson, Mats	Legal Officer, Division for Legal services and Procurement advice
Schönning, Jörgen	Head of Section, Asia department
Sverke'n, Karin	Country Desk Officer, Africa Department

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- 00/24 Sida Supported Environmental Research Projects in Tanzania.** Tom Alberts, Marcelo Dognac.
Department for Research Cooperation, SAREC
- 00/25 Feeder Roads Programme, Mozambique.** Nils Bruzelius, Peter Bentall, José Luis Rocha Lobo
Department for Infrastructure and Economic Cooperation
- 00/26 Sida Supported Master of Science Program by Distance Education in Mozambique, Vietnam, Cambodia and Namibia.** Karlis Goppers, Björn Baaberg, Alicia Borges-Månsson, Richard Noonan
Department for Democracy and Social Development
- 00/27 MacroFinancial Support to Mozambique.** Nordic Consulting Group.
Department for Africa
- 00/28 AIDS, STD Health Action Project in Mumbai, India. An evaluation of ASHA.** Anjali Gopalan, S Sundararaman
Asia Department
- 00/29 Sustainable use of Groundwater Resources. An evaluation of SUWaR, Nicaragua.** Ingvar Åhman
Department for Natural Resources and the Environment
- 00/30 Cooperación para la Democracia y Derechos Humanos en Nicaragua, 1997-2000.** Almachiara D'Angelo, Fredrik Uggla, Juan Faroppa
Department for Latin America
- 00/31 Empowerment of Women through Panchayati Raj in Rajasthan and Orissa, India.** D.K. Manavalan
Asia Department
- 00/32 Support to the "We Plant Trees" Foundation.** Göran Haldin, Bert Koppers, Rosina Auren
Department for Natural Resources and the Environment
- 00/33 The Swedish Energy Support to Nicaragua, 1981–1999.** ORGUT Consulting AB
Department for Infrastructure and Economic Cooperation
- 00/34 When Development Projects go Orphan. Lessons from 20 years of Swedish forestry support to Nicaragua.** Pierre Frühling
Department for Natural Resources and the Environment
- 00/35 Rapport från utvärderingen av stödet till de partiknutna organisationerna.** Fredrik Uggla, Li Bennich-Björkman, Axel Hadenius, Fredrik Nornvall, Annika Tamra, Magnus Öhman
Department for Cooperation with Non-Governmental Organisations and Humanitarian Assistance
- 00/36 The Swedish Consultancy Fund in Mozambique.** Karlis Goppers. Department for Africa

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